

The Global Newspaper
Edited and
Published in Paris
Printed simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague, Marseille, Miami.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post



AGENCY
Algeria... 110 Bks... 6,500 Bks
Australia... 1,200 Bks... 1,200 Bks
Belgium... 1,200 Bks... 1,200 Bks
Canada... 1,200 Bks... 1,200 Bks
France... 1,200 Bks... 1,200 Bks
Germany... 1,200 Bks... 1,200 Bks
Italy... 1,200 Bks... 1,200 Bks
Japan... 1,200 Bks... 1,200 Bks
Spain... 1,200 Bks... 1,200 Bks
U.S. & Canada... 1,200 Bks... 1,200 Bks
U.K. & Ireland... 1,200 Bks... 1,200 Bks
West Germany... 1,200 Bks... 1,200 Bks

No. 32,341 8/87

PARIS, MONDAY, FEBRUARY 16, 1987

ESTABLISHED 1887

LATE NEWS

Breakthrough On Electricity

WASHINGTON (AP) — Physicians in Houston and Alabama have achieved a breakthrough in superconductivity research that points to dramatically more efficient and cheaper electrical power, the government announced Sunday.

Researchers at the University of Houston and the University of Alabama created superconductivity at minus 175 degrees Fahrenheit (minus 283 degrees Celsius), nearly 55.5 degrees (100 degrees Fahrenheit) warmer than the highest measurement achieved previously, it said.

INSIDE TODAY

U.S. decision not to retaliate for what it calls unfair subsidies represented a "substantial pullback."

Page 7.

GENERAL NEWS

An ex-ambassador from South Africa decided to run as an independent against the ruling party.

Page 2.

SPORTS

The Soviet Union beat the NHL all-stars, 5-3, to split the two-game Rendez-Vous '87 hockey tournament.

Page 13.

Jordan and PLO Hold First Talks Since February '86

By Jonathan C. Randal
Washington Post Service

AMMAN, Jordan — Representatives of Jordan and the Palestine Liberation Organization met here Sunday for the first time since King Hussein broke off negotiations a year ago with the guerrillas on a joint approach to peace talks with Israel.

The meeting, held to discuss reactivation of a dormant joint committee for investment in the Israeli-occupied West Bank and Gaza Strip, represented a modest success for the PLO chairman, Yasser Arafat, according to Western diplomats.

Yet even PLO officials privately discouraged suggestions that the renewed economic links would lead to a quick political breakthrough to still-frosty relations between Hussein and Mr. Arafat or to the return of major guerrilla offices in Jordan.

"The king remains dead set against reconciliation," a Western diplomat said.

But the meeting reflected a softening of Hussein's yearlong opposition to any dealings with the PLO.

In breaking off negotiations with Mr. Arafat on Feb. 19, 1986, Hussein said he would only deal with the PLO when Mr. Arafat agreed to accept UN Security Council Resolution 242, which implicitly recognizes Israel, and refused economic coordination limited to the Israeli-occupied territories.

During the second half of last year, the king closed many PLO offices in Jordan and launched a \$1.4 billion five-year plan for West Bank development designed to restore flagging Jordanian influence in the occupied territories at the PLO's expense.

But Hussein was forced to back down when Saudi Arabia, a major donor for both Jordan and the PLO, last month quietly paid an overdue \$9.5 million joint contribution for 1985 to the joint committee that was set up by the Arab League in 1978.



ISRAELI PROTEST — Policemen detaining protesters who chained themselves Sunday outside the Jerusalem office of Prime Minister Yitzhak Shamir to dramatize the plight of Soviet Jews. The incident took place as Mr. Shamir prepared to go to Washington. Page 3.

Jewish Dissident 'Is Free Now,' Soviet Aide Says

By Felicity Barringer
New York Times Service

MOSCOW — A Jewish dissident whose continued imprisonment sparked a series of increasingly violent demonstrations in central Moscow last week has been freed, a Soviet official said Sunday.

"He's free now, I can tell you," the Soviet official, Georgi A. Arbatov, said in an interview via satellite with CBS News, referring to the dissident, Josef Z. Begun, told of Mr. Begun's remarks by Western reporters, said Sunday night: "I have nothing official. I don't know where he is, how it is he's been freed, whether he's going to be sent straight home or how this will all take place."

Mr. Begun's son Boris also said he had heard nothing official.

On Saturday, the dissident physicist Andrei D. Sakharov, in his first public appearance since returning from internal exile, called for more civil liberties and an easing of emigration curbs. He made the comments in a 10-minute speech at the opening of an international conference on disarmament in Moscow.

The release of Mr. Begun, the most prominent Jewish dissident in the Soviet Union since the release a year ago of Natan Sharansky, who was then known as Anatoli Shcharansky, comes after the pardoning of about 140 prisoners under two separate state decrees this month.

It also comes after a series of demonstrations on behalf of Mr. Begun that resulted in increasing violence. The demonstrators were allowed to display placards unmonitored for one day, then were suppressed with increasing force. After a clash Friday, one demonstrator was briefly hospitalized and another severely bruised.

"His case was in the process of reassessment," Mr. Arbatov said on the broadcast. "He would have been freed several days ago would not it be for this demonstration."

Western diplomats have noted that the continuing demonstrations had marred a week of highly favorable publicity on the prisoner releases and distracted attention from the international forum on disarmament over the weekend in Moscow.

One prisoner, who was released from Chistopol Prison 10 days ago, said that he had talked with Mr. Begun just before he left, and that Mr. Begun was the last remaining prisoner in Chistopol sentenced under the criminal statute that bans "anti-Soviet agitation and propaganda."

The Foreign Ministry spokesman, Gennadi Gerasimov, said last week that prisoners who had been released had signed a statement promising not to engage in anti-Soviet activity. Mr. Gerasimov

Iran-Contra Dealings Grew From Secret Program

By Joel Brinkley
New York Times Service

WASHINGTON — The Reagan administration's clandestine dealings with Iran and the Nicaraguan rebels grew out of a well-concealed program established in the White House at least four years ago to conduct a variety of covert foreign policy initiatives, according to many present and former government officials.

The program, called Project Democracy, began as the secret side of an otherwise open, well-publicized initiative that was launched under the same name. Project Democracy's covert side was designed to carry out foreign policy tasks that other government agencies were unable or unwilling to pursue, the officials said.

Although the public arm of Project Democracy, now known as the National Endowment for Democracy, openly gave federal money to democratic institutions abroad and received wide, bipartisan support, officials said the project's secret arm took an entirely different direction after Lieutenant Colonel Oliver L. North, then a National Security Council aide, was appointed to head it about three years ago.

By 1986, Project Democracy had become "what Ollie referred to as the umbrella project for supporting things," a well-placed White House official said.

As a result, it now appears that it was President Ronald Reagan's vision of "cultivating" the "fragile flower of democracy," as he first described Project Democracy in a 1982 speech, that pulled the National Security Council into the

business of running secret operations from the White House. It culminated in the present scandal over the sale of arms to Iran and the diversion of profits to the Nicaraguan rebels, known as contras.

Over the last four years, Project Democracy grew into a parallel foreign policy apparatus — complete with its own communications systems, secret envoys, leased ships and airplanes, offshore bank accounts and corporations.

It operated outside the established government decision-making process and beyond the purview of Congress, officials said. They added that it was an expression of the Reagan administration's deep frustration that it could not push the foreign policy bureaucracy or Congress to embrace what administration officials described as the "Reagan doctrine" of supporting anti-communist insurgents around the world.

Congressional investigators studying the Iran-contra affair say they are finding references to Project Democracy scattered throughout the National Security Council documents they have acquired. The special White House panel investigating the council has been questioning witnesses about Project Democracy, according to sources familiar with the commission's work, and has found that it carried out a wide array of secret activities not yet known to the public.

Still, investigators say they do not know the full scope of the activities that were undertaken under the name of Project Democracy.

Although the project's open and secret parts were linked at their creation in 1982, the two developed on such divergent tracks that now

many officials do not remember that they were ever related.

While the National Endowment for Democracy was openly granting federal money to foreign book publishers, labor unions and other institutions last year, under Colonel North the secret side was sending privately raised covert aid to the contras and carrying out a wide range of other activities, including the arms sales to Iran.

All of that was carried out under such tight secrecy that most officials involved with Project Democracy's public side, and even some of Colonel North's colleagues at the National Security Council, said they were unaware of the secret program.

A senior security council officer directly involved with the project

10,000 Leave Camp After Amal Lifts Siege

By Paul Lewis
New York Times Service

TYRE, Lebanon — At least 10,000 Palestinian refugees, many gaunt from hunger, streamed from southern Lebanon's Rashidiyah camp early Sunday when Shiite Moslem fighters lifted their siege for the first time in 17 weeks, police said.

In Beirut, the plight of refugees in Burj al-Brajneh camp remained bleak despite emergency supplies of flour and milk powder that reached the shantytown Saturday under the supervision of Iranian and Syrian officials.

Amal has allowed scores of wounded or sick women and children to leave the camp, and the militiamen were seen handing out food and blankets to refugees clustered in a local school.

Witnesses said three trucks carrying wheat and powdered milk entered Burj al-Brajneh early Saturday. Mohammed Hassan Sattari, political adviser at the Iranian Embassy, accompanied the trucks into the settlement.

Fuzulades of rocket-propelled grenades and machine-gun fire had halted relief moves Friday, and a Lebanese bodyguard from the Iranian Embassy was killed.

Pauline Cutting, 35, a British surgeon who has been working at Burj al-Brajneh's Haifa clinic, said Saturday that refugees still inside the camp were beginning to die "directly and indirectly because of malnutrition."

Dr. Cutting said starvation was still a threat in the camp, which she said held about 20,000 people. The United Nations Relief and Works Agency for Palestine Refugees in the Near East, known by the initials UNRWA, says 12,000 registered refugees live there, while Palestinians put its population at 30,000.

She said that many refugees ventured out of their shelters Saturday to await the promised food convoy, only to be caught in a sudden burst of shellfire.

"Seven people lost both their legs because of bombing during the time when the trucks were due to come into the camp," she said. "Six people were killed and 24 wounded."

The relief operation followed months of intensive international mediation aimed at ending a battle for control of five refugee camps in Beirut and southern Lebanon.

Police in southern Lebanon said Sunday that the exodus from Rashidiyah began at dawn after the Shiite Amal militia announced the partial lifting of the siege, saying the refugees could leave the camp for five hours a day to buy food and seek medical attention.

The decision followed Amal's re-occupation of positions at the southern village of Maghdoush.



In the Philippines, a War of Words
A soldier removed an anti-government banner Sunday near Davao city in the southern Philippines. The military has resumed operations after the collapse of a cease-fire with insurgents. In northern Luzon, the main Philippine island, support for former President Ferdinand E. Marcos continues to pose a problem for the government of Corason C. Aquino. Leaders of an attempted coup have reportedly taken refuge in Mr. Marcos's former stronghold. Page 2.

Wall Street Enters the Dock As Insider Case Taints Top Aides, System Goes on Trial

By James Sterngold
New York Times Service

NEW YORK — Four top financial executives stood before a federal judge last week on insider trading charges. But it is becoming more and more evident that it is Wall Street itself, and its role in the corporate takeover boom of recent years, that is facing trial.

The venerable securities houses have been struggling against this conclusion ever since the scandal over the use of inside information to make huge profits in the market engulfed the financial world May 12.

Despite long-held suspicions of insider trading in nearly every major takeover in recent years, investor bankers have argued that each new development could be explained as an aberration, as an example of how greedily the younger generation had become, or even an instance of prosecutorial abuse.

Those arguments, however, have worn thin as the guilty pleas have worked their way up Wall Street's hierarchy, and particularly as they have homed in on what has become the core of the American securities industry's explosive growth in the 1980s: the mergers and acquisitions business.

"If they are guilty," said a member of the executive committee at a major firm, "you really do have to face up to the pervasiveness of the problem."

Those charged have been described by the government as cogs in networks that routinely broke laws by passing out inside information about the secret planning for takeover bids.

One of the most basic securities laws maintains that no investor can take advantage of others by using important corporate information before it has been disclosed publicly.

What has been called into question is the very manner in which the investment banking business has evolved in the past decade. Lucrative mergers have grown increasingly important as the industry's traditional businesses, raising capital and trading in securities, have declined.

The charges filed last week and the continuing government investigation focus attention on Wall Street's role as a corporate marriage maker, financier and strategist for the multibillion-dollar "raids" to take over companies that do not want to be bought out.

This heady deal-making environment has brought unprecedented growth to the number of professionals who work in the securities industry and has pushed fees and salaries to previously unimagined heights.

Many top investment bankers acknowledge that the aggressive,

fast-paced world of mergers also has altered the basic character of the business, making it more of a young man's game. Financial rewards are reaped far more rapidly than ever before, and longstanding traditions and ties between junior investment bankers and their seniors have been broken.

The securities business also has grown far more competitive, with enormous pressure for bottom-line results almost from the moment that a young professional receives the first installment on his starting salary of \$80,000 a year.

"The merger and acquisition part of the business has become the tail wagging the Wall Street dog," said Samuel L. Hayes 3d, a professor of investment banking at the Harvard Business School.

"There may be a relatively small number of people involved in it," he said, "but they accounted for a disproportionately large share of the profits at most firms."

Frank Richardson, executive vice president at Wesray Capital, one of the largest firms specializing in buyouts of corporations, said: "The most important thing is that the old apprenticeship-mentor system on the Street has broken down."

"Under the old formula, there was a real mystique to the guy who'd taken 25 years to get to the top, and the younger guys were willing to wait in line and work to get there," he said. "Today, that's gone. And we're starting to see what that breakdown has led to."

Part of the impetus behind the growth of the merger business

Collecting Taxes in Corsica Hurts More Than Paying

By Paul Lewis
New York Times Service

AJACCIO, Corsica — "Look what a tax collector in a mountain village just received!" shouted François Paquere, a young man with a mustache and daring black eyes. Sitting in a tax office here, he waved a letter signed by Joseph Duploy, chief treasurer of northern Corsica, demanding that the unfortunate tax collector come up with 711,956 francs and 63 centimes (about \$127,000) out of his own pocket to make up for taxes he failed to gather in his district.

The government in Paris says it is fed up with tax evasion on this poor, mountainous Mediterranean island, famed as Napoleon's birthplace. To try to increase revenues, the government plans to make the collectors on Corsica, which has been a part of France since 1769, pay what they fail to extract from the population.

And when they heard about it, the tax collectors here went on strike.

"French law makes tax collectors personally responsible for the taxes they collect," Mr. Paquere acknowledged.

"But it's never enforced," he said, his voice rising loudly with fury, "and how could it be here of all places."

He gestured toward cardboard boxes stacked against the wall. The boxes were full of tax bills returned by the post office stamped "unknown at this address." There were thousands of them, dating back years.

The harassed tax collectors, or "percep-tistes," say they cannot do better. They say they are up against Corsican society, where whole villages are filled with people who share the same last name and a farm may be owned by more than a hundred people, many of whom have left the island.

"There's a massive conspiracy against us," Mr. Paquere said. "Everybody is in it. The village mayors mislead us. The postmen don't deliver letters. And we've had six bomb attacks on this office. This society is rotten right through, and we're being made to pay the price."

Corsican politicians and the government in Paris share some of his concerns about the deterioration in law and order on the island, where crime set local records last year.

"The tax collectors' strike is symbolic of a deeper malaise," a senior French administrator said.

Only 240,000 people live permanently on Corsica, which has some agriculture but little

industry. The island supports itself mainly on summer tourism and subsidies from France.

But despite the small population, the island had 172 armed robberies last year, up from 161 in 1985, and 369 bomb attacks on shops, nightclubs and private homes. An additional 86 bombs failed to go off. In 1985, there were 306 bomb explosions, along with 63 attempted bombings. Since 1981, there have been 20 gangland-style murders.

Last month, a delegation of Corsican leaders called on France's interior minister, Charles Pasqua, who comes from Corsica, and demanded action.

"We said something had to be done," said Jacques Rocca Serra, an official in Corsica's largely powerless local Parliament. "And I believe it will be."

A few days later, the three chief government representatives on the island were dismissed.

To head the police force, Mr. Pasqua nominated Marcel Morin, one of France's best known policemen, often credited with breaking in Marseille the heroin-smuggling case known as "the French connection."

Most bomb attacks and some robberies appear to be the work of the Corsican Na-

Sarney's Support Erodes As Brazil Economy Lags

By Alan Riding
New York Times Service

RIO DE JANEIRO — A sudden souring of Brazil's economic situation has seriously eroded political and popular support for President José Sarney, tumbling the country into its worst crisis since civilian rule returned here two years ago.

In recent weeks, the president has come under growing criticism not only from opposition groups that want to cut short his mandate, but also from two pro-government parties, which are pressing him to respond more assertively to the new economic challenge.

"Sarney seems to have lost the will to govern," said a senior member of Mr. Sarney's Brazilian Democratic Movement Party, which controls Congress. "He has helped to create the crisis through inaction, and now we have a president without authority."

At the same time, just three months after a price freeze imposed by Mr. Sarney won his party a stunning victory in mid-term elections, the government's failure to contain a sharp resurgence of inflation has angered voters who feel they were deceived.

"Before the election, Sarney was incredibly popular," a foreign diplomat said. "Now, he has to avoid crowds for fear of being heckled. He's become a president who has to hide out in the palace."

Recently, the president even came under attack from inside his cabinet when the mines and energy minister, Ameliano Chaves, said that last year's anti-inflation program was doomed when it became



Jose Sarney
"an electoral instrument." He added, "You can win elections with demagoguery, but you can't govern."

In his weekly radio address Friday, Mr. Sarney, 56, insisted his economic plan had not died and suggested that new measures would soon be announced. He said that although many vacillate in times of difficulty, "the president is not vacillating. He will not vacillate and cannot vacillate."

In a country that for 21 years learned to obey the ruling generals, the crisis has undermined both the president's isolation and the tradi-

حکومت الاصل

In South Africa, the Repressive Reality of Business as Usual

By Michael Geeler
Washington Post Service

DELMAS, South Africa — In a courtroom in this small farming town east of Johannesburg, one of the 19 blacks on trial for what the government alleges is treason leans out of the defendants' box before the proceedings begin and agrees to an interview during the lunch break.

It is a bizarre situation, one of many contradictions, almost surrealistic scenes that confront a journalist visiting South Africa these days.

"The forces of apartheid are falling apart," the defendant said later. That the government has become "more assertive," he said, "means those who are fighting have gained an advantage."

"In the past," he continued, "they always agreed on how to oppress the blacks. Now they don't. They're cracking." He then sat down as the proceedings resumed.

The 19 men on trial belong to the United Democratic Front, an anti-apartheid umbrella organization; to local civic associations, and to black-consciousness groups. They are charged with inciting unrest that broke out in September 1984

in the Transvaal region and has continued sporadically around South Africa since. They have denied the charges.

Whatever the verdict, an important ingredient in the case is that the prisoners have been taken from their communities. They have already been in jail for more than two years, detained for a year before the proceedings began and then another year while the prosecution made its case. Their defense is expected to take another year.

"Repression is a growth business in South Africa," quipped one of the white defense lawyers during another year while the prosecution made its case. Their defense is expected to take another year.

Nevertheless, the mood of the defendants seems outwardly buoyant. They emerge from a single cell beneath the courtroom, greet friends and relatives sitting in the back and listen as their team of white and Indian lawyers work to refute the charges. The chief defense counsel is a prominent white lawyer, Arthur Chaskalson, who has set aside a lucrative practice to come to Delmas and plead the case before a white Afrikaner judge.

With the state of emergency have come curbs on the press and infor-

mation that add to the Orwellian character of life in South Africa.

White South Africans — Afrikaners, English-speakers and others — are largely an educated, well-off, Westernized, high-tech bunch with a deep distaste for Communism. Yet they now live under a system of

about 40 percent, according to estimates by residents.

It is a place that reflects the transformation of a crude strategy of segregation into something more sophisticated. The system brings improvements to a growing number of blacks, keeps radicals off

hours a day back and forth on buses to get to them.

The resident's shack-like home, like those in other townships, is neat and orderly inside. But she despairs of the anarchy that rules the streets when things get tense, of the apathy in the school and clinic.

There is no entertainment.

An expensive, handsome new soccer stadium stands unused because it is a symbol to residents of government-backed attempts to seal KwaNdebele into a permanent fate. In May, a rebellion, which left more than 100 people dead, thwarted the local authorities who wanted KwaNdebele to become another so-called independent black homeland.

In the huge black squatter camp at Crossroads, outside Cape Town, things are quiet but tense. Crossroads was the scene of rioting and burning by rival black groups of militant leftists called "comrades" and conservative "vigilantes" last May.

About 70,000 people, made refugees by the destruction, live in huts made of black plastic garbage bags

hours a day back and forth on buses to get to them.

The resident's shack-like home, like those in other townships, is neat and orderly inside. But she despairs of the anarchy that rules the streets when things get tense, of the apathy in the school and clinic.

There is no entertainment.

An expensive, handsome new soccer stadium stands unused because it is a symbol to residents of government-backed attempts to seal KwaNdebele into a permanent fate. In May, a rebellion, which left more than 100 people dead, thwarted the local authorities who wanted KwaNdebele to become another so-called independent black homeland.

In the huge black squatter camp at Crossroads, outside Cape Town, things are quiet but tense. Crossroads was the scene of rioting and burning by rival black groups of militant leftists called "comrades" and conservative "vigilantes" last May.

About 70,000 people, made refugees by the destruction, live in huts made of black plastic garbage bags

hours a day back and forth on buses to get to them.

The resident's shack-like home, like those in other townships, is neat and orderly inside. But she despairs of the anarchy that rules the streets when things get tense, of the apathy in the school and clinic.

There is no entertainment.

An expensive, handsome new soccer stadium stands unused because it is a symbol to residents of government-backed attempts to seal KwaNdebele into a permanent fate. In May, a rebellion, which left more than 100 people dead, thwarted the local authorities who wanted KwaNdebele to become another so-called independent black homeland.

In the huge black squatter camp at Crossroads, outside Cape Town, things are quiet but tense. Crossroads was the scene of rioting and burning by rival black groups of militant leftists called "comrades" and conservative "vigilantes" last May.

About 70,000 people, made refugees by the destruction, live in huts made of black plastic garbage bags

South African Breaks With Botha, Says He Will Run as Independent

By William Claiborne

WASHINGTON — Denis Worrall, who resigned as South Africa's ambassador to Britain to protest the peace of change by his government, has announced that he will run against the ruling National Party as an independent in parliamentary elections May 6.

Mr. Worrall said his candidacy would be preceded by a personal nationwide campaign designed to "restore a sense of direction" to the South African people.

Speaking at a news conference Saturday upon his return from London, Mr. Worrall, long a major figure among the Nationalists, said there were two principal issues to be addressed in the whites-only election.

"One is a real end to apartheid, and secondly, proper attention to the granting of political rights to black people, a real mandate which speaks to black South Africa and to concerned friends and allies internationally," he said.

Coupled with the party resignation last month of Wyland Malan, another member of Parliament who plans to run as an independent, Mr. Worrall's announcement deepened cracks in the National Party solidarity that has characterized four decades of uninterrupted rule here.

Other National Party faithful re-

garded as *verligtes*, the Afrikaners term for liberals, are said to be considering bolting from the party over dissatisfaction with what is perceived as a lack of direction in dismantling apartheid, the policy of racial separation.

Political analysts have speculated that some of them were only waiting for Mr. Worrall's formal announcement and the party leadership's reaction to it. Despite the resignations, the National Party is expected to return to power with a sizable, albeit somewhat reduced, majority.

Mr. Worrall did not disclose in which constituency he would run, but he did not rule out contesting the seat in his home district in Cape Province held by Chris Heunis, the minister of constitutional development and planning. Mr. Heunis is widely regarded as a possible successor to President Pieter W. Botha, 71.

In what appeared to be a thinly veiled hint that he would oppose Mr. Heunis, Mr. Worrall said: "The choice of constituency will be intended to demonstrate that the whites of South Africa, as a people, are for very real change."

Mr. Heunis is regarded by his opposition critics as the chief architect of what is termed neo-apartheid, or cosmetic changes in the

system that do not offer blacks real power-sharing.

In 1982, Mr. Worrall resigned as chairman of the advisory President's Council's key constitutional committee during a behind-the-scenes dispute with Mr. Heunis over a new constitution. The charter led to the creation of a tricameral legislature with segregated houses for whites, Indians and persons of mixed race.

Mr. Heunis, who at the time was minister for constitutional affairs, rejected the committee's proposal for a single chamber for South Africans of mixed race and Indians and a system, which Mr. Worrall called "segmental autonomy," that would have addressed the interests of both ethnic groups under one roof.

Shortly afterward, in a move seen as shunting him out of the political mainstream, Mr. Worrall accepted an assignment as ambassador to Australia. Less than two years later, however, after a successful tour in Canberra, he was shifted to London amid indications that he enjoyed the backing of President Botha and Foreign Minister R.F. Botha.

Mr. Worrall, a political scientist and lawyer who holds a doctorate from Cornell University, was regarded in the Foreign Ministry as an effective spokesman for South



Denis Worrall

Africa in Britain. That was despite public statements in which he frequently expressed frustration over events taking place in South Africa.

Mr. Worrall said that one incentive for resigning was the cold shoulder given by the government, in particular Home Affairs Minister Stoffel Botha, to power-sharing proposals worked out during a provincial constitutional convention in Natal attended by leaders of all racial groups.

■ **New Missile Tested**

Pretoria announced Saturday that it successfully tested Scorpion ship-to-ship missiles this month, demolishing two surface targets. The Associated Press reported.

2 Killed in Rome Raid, Reviving Terrorist Fear

ROME — The murder of two policemen during the ambush of a postal van in Rome has revived memories of the late 1970s when leftist Red Brigades guerrillas carried out attacks in Italy.

Two police escorts were shot to death and a third was seriously injured on Saturday when about nine attackers ambushed the van and stole about 1.2 billion lire (\$380,000).

The police said that at least 100 bullets were fired in the 10-minute raid, after which the attackers fled.

A group calling itself the Red Brigades-Fighting Communist Party has claimed responsibility and the claim is being investigated seriously.

Domenico Sica and Rosario Priore, two magistrates who have led investigations into urban terrorism for several years, said the ambush had similarities to the kidnapping in March 1978 of former Prime Minister Aldo Moro.

Moro's abduction and subsequent murder was the Red Brigades' most audacious challenge to established order.

In the Moro kidnapping, 10

guerrillas blocked his car and that of his police escort and shot and killed all five policemen. Moro, unharmed, was taken away in a car. He was killed after 55 days in captivity.

The attack on Saturday was carried out with similar planning, ferocity, speed and weapons. It took place after a full urban guerrilla violence following a crackdown by security forces in the early 1980s and several mass trials of urban guerrillas.

The last such attacks were in February 1985, when a Red Brigades faction killed a former mayor of Florence and tried to kill an aide to Prime Minister Bettino Craxi.

Last week the Italian Parliament passed a law allowing big reductions in prison sentences for convicted guerrillas who have renounced violence and severed their links with guerrilla groups.

The law was hailed as a sign that the security emergency of the "years of lead" from 1977 to 1980, when the Red Brigades killed 17 public figures, was at last over.

Politicians maintained Sunday that guerrilla organizations had been seriously weakened but that



Forensic experts examining the car in which three policemen were shot as they were escorting a postal van in Rome.

BRAZIL: Sarney's Position Is Eroded by a Worsening Economic Situation

(Continued from Page 1)

Weakness of Brazil's democratic institutions, notably its political parties.

Brazil's armed forces, however, have stood by Mr. Sarney.

While occasional strikes and demonstrations so far have not created a mood of agitation, several sectors that are organized politically have already shown signs of impatience with the government.

Last month, business leaders threatened "civil disobedience" if the price freeze was not lifted, and farmers used a march on Brasilia last week to announce plans to halt production after March 10 unless wholesale food prices were raised.

Yet, for the moment, the political crisis is still concentrated in

Brasilia — specifically, in the difficult relationship between Mr. Sarney and the newly elected Congress. Congress has a mandate to write a new constitution and already has begun trying to wrest authority from the president on the ground that it is "sovereign."

This in turn has focused attention anew on the ill-defined scenario that is meant to guide the country's transition from dictatorship to full democracy in the form of the first direct election of a president since 1960. The date for that election has yet to be set by Congress.

In 1985, fearing a sudden swing to the left, the departing general insisted that Brazil's first civilian ruler in two decades be chosen by an electoral college, although they agreed to accept an opposition victory if his candidate was a moderate.

The man picked by the Democratic Movement Party, Tancredo Neves, the 74-year-old governor of Minas Gerais, fitted this description so well that many members of the pro-military Democratic Social Party — including its president, Senator Sarney — preferred him to their own candidate.

They therefore broke ranks, formed a dissent Liberal Front, and, as part of an arrangement to ensure a majority in the electoral

college, Mr. Sarney was named Mr. Neves's running mate.

But Mr. Neves — the man whose popularity, personality, experience and network of alliances seemed to guarantee a peaceful transition — died before he could assume office. And in Mr. Sarney, he was succeeded by a provincial politician who had been identified with the military regime and, by his own admission, was ill-prepared to assume the presidency.

Further, Mr. Sarney lacked a strong political base. Although he had joined Mr. Neves's party, its members continued to look for leadership to Ulysses Guimarães, a long-time opponent of the dictatorship who hopes to become Mr. Sarney's successor. At the same time, the loyalists of leaders of the Liberal Front were blunted by their own political ambitions.

As a result, Mr. Sarney tried to govern over the heads of the parties. Although a burst of inflation in January of last year threatened to undermine his position, his "statesman strategy" paid off when he imposed the price-freeze on Feb. 28, 1986. His popularity rose sharply and, having been elected for a six-year term, he was confident this would be ratified under the new constitution.

To ensure a strong bloc of support, he maintained the price freeze through November and saw his Brazilian Democratic Movement Party sweep the gubernatorial and congressional elections. But then things went wrong.

By the time Congress met Feb. 1, hyperinflation had returned, and the Democratic Movement Party seemed anxious to disassociate itself from the government.

But what many politicians think is the simplest answer to the crisis — that presidential elections be held this year — is not simple because of a political wild card called Leonel Brizola, a charismatic 64-year-old Socialist who is strongly disliked by military and civilian conservatives. Even inside the government, it is believed that he would win any early presidential election.

Mr. Brizola, who is to step down as governor of Rio de Janeiro in March, has already announced his candidacy, and he contended last week that elections within 90 days offered "a legitimate president" to choose the only solution to the crisis. At the polls, he would hold one major advantage over his competitors: He alone warned last week that the price-freeze plan would fail.

In Northern Philippines, Marcos Mystique Lives 'He Did Plenty for This Province'

By Michael Richardson
International Herald Tribune

LAOAG, Philippines — An archway of the bridge leading into Laoag, capital of Ilocos Norte, names Ferdinand Marcos Jr., as governor of this northern province and a friend, Rodolfo C. Farinas, as city mayor.

Mr. Marcos was forced into exile in Hawaii almost a year ago with his father, Ferdinand E. Marcos, who was president of the Philippines for 20 years.

Mr. Farinas was replaced as mayor of Laoag in June as part of a countrywide clean-out of alleged Marcos loyalists by the government of President Corason C. Aquino.

Fidel V. Ramos, the armed forces chief, and Mrs. Aquino have said that most military personnel are professional soldiers loyal to the constitution.

But General Ramos said in Manila on Thursday that he had received unconfirmed intelligence reports that two fugitive military officers alleged to have been involved in an abortive revolt by about 700 soldiers last month against the Aquino government had been sighted in Ilocos Norte.

He said during the revolt that it involved followers of Mr. Marcos and military elements who felt the Aquino administration was making too many concessions to Communist insurgents.

Both fugitive officers, Brigadier General Jose Maria Zúñiga, a former superintendent of the Philippine Military Academy, and Colonel Rolando Abadilla, former chief of a military intelligence group dealing with counterinsurgency, are known Marcos loyalists who were born in Ilocos Norte.

General Ramos said the reports he had received suggested that the two men might be recruiting soldiers, including former members of Mr. Marcos's residential security command, in an attempt to form a rebel army.

A commander based in Ilocos Norte said that there were many Marcos loyalists in the province, but that he believed only a few had unauthorized arms.

Rogue Ablan Jr., a leading local supporter of Mr. Marcos, claimed that reports of a private army being recruited by General Zúñiga and Colonel Abadilla were "baloney."

He said they were part of an attempt to discredit Mr. Marcos and his political party, the Kiling-Balang Lupon, or KBL.

Mr. Ablan said Mr. Marcos's political machinery and popular support in Ilocos Norte and other Ilocos provinces were still strong.

He predicted that the former president would remain a rallying point for non-Communist opposition to the Aquino government, and that he would win a substantial bloc of seats in congressional elections in May and in local polls in August.

But a number of sources here and in Manila feel that Mr. Marcos is a declining factor in politics.

Stephen W. Bosworth, the U.S. ambassador, said in a recent interview with a Boston television station that although Mr. Marcos was a rallying point for "a small and constantly shrinking segment" of the population, the former president was "basically irrelevant."



Hosni Mubarak

CAIRO (WP) — In a move designed to ensure the legality of his government, President Hosni Mubarak dissolved the Egyptian parliament Saturday and announced elections for April 6.

A presidential decree dissolving the 458-member People's Assembly followed the announcement Sunday of results from a referendum held Thursday showing that 88.9 percent of the voters favored the move.

The dissolution pre-empted expected court decisions that could have impaired the government by ruling that some regulations governing the previous elections in 1984 were unconstitutional. In response to pressure by small but vocal opposition parties, independent candidates will be allowed to vie for a limited number of seats in the new assembly. The change in rules will allow Moslem fundamentalists, who are forbidden to form their own party, to run for office independently.

300 Ethiopians Killed, Somalia Says

NAIROBI (AP) — More than 300 Ethiopian soldiers were killed last week in an attack against a northwestern area of Somalia, official Radio Mogadishu of Somalia reported Sunday.

The broadcast, monitored in Nairobi, also claimed that 25 Ethiopians were wounded and taken prisoner and that Somali defenders destroyed half of the 22 tanks that the Ethiopians used in the attack Thursday in the Togdher region. Somalia said that 30 of its soldiers were killed.

An Ethiopian official has dismissed Somalia's claims as "completely false propaganda."

Students to Go Back to Class in Spain

MADRID (Reuters) — Spanish students return to school Monday after a week of class boycotts and protests in an uneasy truce with the government. The government has said that it will make a new offer this week on student demands to abolish university entrance examinations.

"We are going back to school with our swords held high," said Juan Ignacio Ramos, a student leader, at a news conference Saturday. He said the students would resume street protests if the government did not agree to abolish the examinations.

The students have rejected Education Minister José María Maravall's latest offer to involve them in changing the university admissions system and in overhauling secondary education. Negotiations ended in stalemate last week when Mr. Maravall rejected the students' demands to eliminate entrance examinations.

France Tightens Security for Trial

PARIS (Reuters) — One thousand extra police officers have been deployed in the French capital before the trial of a suspected Lebanese guerrilla leader, Georges Ibrahim Abdallah, police sources said Sunday. The trial is to begin Feb. 23.

Police at airports and railroad stations have been asked to tighten security.

Mr. Abdallah, 35, is believed by the police to head the far-left Lebanese Armed Revolutionary Faction. He is accused of complicity in the 1982 murders in Paris of a U.S. military attaché and of an Israeli diplomat as well as an attempt on the life of the U.S. consul-general in Strasbourg in 1984.

For the Record

Eight Palestinian guerrillas were sentenced to prison terms Sunday in a Lod, Israel, military court for trying to seize an Israeli military headquarters in April 1985 and force the release of 150 imprisoned members of el-Fatah, the main Palestine Liberation Organization group. (AFP)

A whites-only high school in Pretoria staged a prestigious track and field meeting on Saturday after provoking a political dispute by banning a top black athlete. (Reuters)

At least 15 persons were wounded Sunday by police gunfire, hospital officials said in Karachi, Pakistan, when the police clashed with demonstrators protesting the imprisonment Thursday of Karachi's mayor and 98 city council members. (AP)

UNIVERSITY DEGREE
BACHELORS • MASTERS • DOCTORATE
For Work, Academic, Life Experiences.
Send detailed resume for free literature.

PACIFIC WESTERN UNIVERSITY
400 S. San Mateo Blvd.,
Los Angeles, California
90009, Dept. 23, U.S.A.

مكتبة الأصيل

Early Presidential Aspirants Gear Up With Rented Vans, Punchy Applause Lines

By Paul Taylor
Washington Post Service

DIES MOINES — One and a half years before the 1988 presidential elections, a number of aspirants are already running full throttle toward the White House.

Neither the Democratic nor the Republican nomination fights have taken clear form. The fields have not been set, the debates not joined, the ear of the public not yet engaged.

At a comparable time four years ago, the campaign for president was further along.

Still, a flock of candidates is already afield, towing a small community of strategists, activists, economists, pollsters, politicians and fund-raisers who have a professional warrant to chart the campaign's progress.

Representative Richard A. Gephardt, Democrat of Missouri, has campaigned in 10 states at least 10 times each since he started running for president in 1985. For his diligence, he has propelled himself to a 1 percent standing in national polls, 3 percent in the most recent Iowa poll.

At the moment, one year in advance of the Iowa caucuses on Feb. 8, 1988, and the New Hampshire primary on Feb. 16, 1988, Pierre S. Duka, III, a former Republican governor of Delaware, is the only formally announced candidate. However, a rash of announcements are scheduled in the next six weeks.

For the candidates, it is retail politics at this juncture: recruiting potential supporters from rented vans.

It is also testing out applause lines. "Marxism is dead meat!" exclaimed a former Democratic Arizona governor,

Bruce E. Babbitt, commenting on the worldwide advance of democratic capitalism.

"The United States is about to have another arms race with the Russians, and the Japanese are going to win," said Mr. Gephardt.

"If they pass a bill limiting what farmers can grow, we might as well put up a sign on the Main Streets of rural America: 'This town closed until further notice,'" said Senator Bob Dole, Republican of Kansas.

If you are a long shot, this period also means braving the slings and arrows of dogged anonymity. Mr. DuPont, the former governor and heir to one of America's great fortunes, was introduced to

Rotary Club 153 in Council Bluffs, Iowa, recently as being "from the Wilmington, Delaware, Rotary, and his category is lawyer."

Even a front-runner must face similar slights. When Gary Hart, a former Democratic Colorado senator, appeared Feb. 9 on something called "The Buzzard Morning Zoo," a talk show in Cleveland, his first conversation went as follows:

"Hello," said Mr. Hart, who had been introduced as "the man who could be our next president!"

"Oh hi," said the caller. "Have you had the drawing for the Bon Jovi concert tickets yet?"

Sometimes the problems of a front-runner can be politically serious, even at this stage. Vice President George Bush, the Republican front-runner, set out on a two-day foray to Illinois and Michigan

to try to calm supporters made restive by the revelations of his involvement in the Iranian arms affair.

He said he had "nothing to hide" and that he had "told the truth." But he also conceded that "in some places, where there is doubt, I'd have to take the rap, and understand people's doubts."

Mr. Bush's difficulties have created an unexpected early opening for the rest of the Republican field; no one was scrambling faster to fill it last week than Mr. Dole.

Using a fleet of eight chartered corporate jets and one helicopter, Mr. Dole stamped for votes in 10 states. He gave five Lincoln Day speeches, a dozen news conferences, conducted three dozen private political meetings and had his picture taken with hundreds of local party activists.

Representative Jack F. Kemp, Republican of New York, was in New Hampshire last week, naming members of a steering committee in the state where he hopes to make his electoral breakthrough. Marion G. Robertson, a television evangelist, also was stumping in New Hampshire.

While these candidates scrambled for support, at least a half-dozen other potential 1988 entrants remained mired in varying stages of uncertainty about whether to run.

The list is led by Governor Mario M. Cuomo of New York on the Democratic side and the former Senate majority leader, Howard H. Baker of Tennessee, on the Republican.

Mr. Baker edged closer to an active candidacy; Mr. Cuomo encouraged similar speculation with a trip to California.

But the New York governor found out firsthand what an unhappy place the never-never land of indecision can be.

On Wednesday in Los Angeles, he delivered what he had billed as a nonpolitical speech. He spoke broadly of community, concern for the poor and the immigrant experience.

But the local reviews were not good. "Cuomo Speech Disappoints Powerful L.A. Democrats" read the headline in the Los Angeles Times.

Early travails aside, Mr. Cuomo, should he get in, would figure to lock up against Mr. Hart in a rough-and-tumble showdown of personalities, rather than policies. If it lives up to its potential for drama, it might be the sort of fight that leaves other Democratic candidates straining to attract notice.

U.S. to Review Options For ABM Experiments

By R. Jeffrey Smith and Don Oberdorfer
Washington Post Service

WASHINGTON — President Ronald Reagan has directed the Defense Department to produce a detailed list of the missile-defense experiments it would conduct under a more permissive interpretation of the 1972 Anti-Ballistic Missile Treaty, according to U.S. officials.

The decision was made Tuesday at a meeting with his arms control advisers called to consider a proposal by Secretary of Defense Caspar W. Weinberger to follow a "broad" interpretation of the treaty, the officials said.

The list is to include a detailed description of the experiments Mr. Weinberger wants to conduct under the broad interpretation, a proposed timetable for the experiments and an assessment of their importance, the officials said.

No such list has been circulated by the Pentagon or given to the president, despite Mr. Weinberger's statement at the White House that a shift to the broad interpretation is needed so that more realistic tests can be conducted in the Strategic Defense Initiative research program, the officials said Friday.

Months may be needed to produce and evaluate the list, they said.

Mr. Reagan decided in 1985 that the broad interpretation of the ABM treaty was legally correct, but he elected to continue to abide by a more traditional "narrow" interpretation because of protests from Congress and U.S. allies.

At the meeting, however, the president formally authorized additional analysis of the legal justification for the broad interpretation, the officials said.

The analysis will cover the record of treaty compliance for both countries and the record of subsequent "agreements between the two which bear on their understandings" of the ABM treaty, a State Department official said. The analysis will be conducted by a State Department legal adviser, Abraham D. Sofaer.

No decision has been made about the timing for the study, but one official said Friday that Mr. Sofaer would probably be given three months to complete his work, not six as Secretary of State George P. Shultz initially proposed at a White House meeting two weeks ago.

Officials at the State Department and what to tell U.S. allies during consultations on the treaty interpretation, also ordered by Mr. Reagan at the meeting, officials said.

One official predicted that U.S. arms control advisers would be sent to tell the allies that "the broad interpretation is required, and the SDI program is being restructured." They would also tell them that "your views will be taken into consideration," the official said.

This approach was described as being closer to that favored by the Pentagon. Some State Department officials prefer instead that the proposed policy shift be characterized as an "option" rather than an "intention."

Meanwhile, new details became available about the process that produced the Feb. 8 announcement by Mr. Shultz during a television program of administration decisions on SDI and the ABM treaty.

Sources said that on Feb. 6, Mr. Shultz discussed some "talking points" drawn up in the State Department with Mr. Weinberger and then conferred at greater length with Mr. Reagan; the White House chief of staff, Donald T. Regan; and the national security adviser, Frank C. Caviero.

The officials said Mr. Shultz received approval from Mr. Reagan then to make public the essence of the "talking points" in the television appearance. Mr. Shultz's announcements were described as a package with several elements.

One would be that no decision on early deployment of an SDI system would be possible for at least two years. A State Department official said Friday that Mr. Weinberger had been advocating an immediate decision on "early phased deployment" of an SDI system.

Another element would be that faster-than-expected progress on SDI research suggested that this program could be pursued more effectively if — and perhaps only if — a different pattern of testing was permitted under a broader interpretation of the ABM treaty.

AMERICAN TOPICS



A BLESSING FOR AIDS VICTIM — Cardinal John J. O'Connor congratulates David Hefer and his wife, Maria, after they renewed their marriage vows in New York. Mr. Hefer suffers from acquired immune deficiency syndrome and the cardinal interceded after a church official denied permission for the ceremony. The couple was married in a civil service three years ago.

Corporate Takeovers Hit the Doldrums

Corporate takeovers, particularly the giant and hostile deals that catch the public's eye, have dried up for now. The New York Times reports. Instead, investment banking houses are spending time on corporate restructuring, divestitures and, because of the weak dollar, foreign buyouts of American companies.

One expert ascribes the slowdown to the "pythion effect," by which the market has to digest all it swallowed toward the end of last year before it can take on anything new. Others cite tax considerations that made it more attractive to complete transactions by the end of 1986, current high stock prices that take the profit out of the hunt for targets and the uncertainty that has followed the scandal involving Ivan F. Boesky, who paid \$100 million in fines and forfeited profits for insider trading on Wall Street.

In January, according to Wall Street estimates, seven takeovers of at least \$100 million each, with a total worth of \$3.2 billion, were completed. In the frenetic last three months of 1986, 93 such transactions were completed with a total value of \$44.05 billion.

"Things haven't been dead, just quiet," one arbitrator told The Times. Joseph R. Perella, co-director of investment banking at First Boston Corp., said his firm was busy with takeover activity, adding, "There's a lot brewing."

Notes About People

Judge Robert H. Bork of the U.S. Court of Appeals for the District of Columbia, arriving late at a panel discussion sponsored by the Federalist Society, a conservative legal group, said, "The prospect of the intellectual excitement I knew I would encounter this morning was so intense that I ran into another car."

Mr. Weinberger has had a glowing portrait of James V. Forrestal, the first man to hold that post, removed from his office and stored in a vault. "I just didn't want to look at that tight-lipped expression every morning," Mr. Weinberger explained.

Short Takes

Drivers will go out of their way and even risk crashes to run over snakes, says David Shepherd, a biology professor at Southeastern Louisiana University. In 22,000 incidents that he and his students observed in three years, using a rubber snake and a fake turtle on isolated country roads, he says he found that drivers are only one-third as likely to risk wrecks to run over a turtle. Some even stop to help the turtle cross the road.

Sign spotted in a New York taxi by Karen Weitzner and reported to The New York Times: PLEASE FEEL FREE TO SMOKE. THANK YOU FOR NOT JOGGING.

Shamir Seeks New U.S. Stand on Emigrés

By Jim Hoagland
Washington Post Service

JERUSALEM — Prime Minister Yitzhak Shamir intends to lobby Jewish organizations in the United States this week to drop their opposition to a change in U.S. policy that he said could increase the number of Soviet Jews coming to Israel.

In addition to seeking an end to the U.S. policy of automatically granting refugee status to Jews who leave the Soviet Union, Mr. Shamir will use his official visit to Washington to try to deflect renewed U.S. interest in an international peace conference. He fears such a conference would be dominated by the Soviet Union and radical Arab nations.

Assessments of the nature of change in Moscow under the leadership of Mikhail S. Gorbachev thus will be at the center of Mr. Shamir's visit, his first to Washington since he took office in October. He is to arrive in Washington on Tuesday for talks with President Ronald Reagan, Secretary of State George P. Shultz and other U.S. officials.

The classification of Soviet Jewish emigrés as refugees permits them to go directly to the United States once they reach Europe rather than going to Israel. The policy has left the Israeli government and many U.S. Jewish groups at odds.

Mr. Shultz has already put Mr. Shamir on notice that he will have to get American Jews to alter their strong support for the current policy before the Reagan administration will consider changing it, according to Israeli and U.S. officials.

Mr. Shamir has said he would raise the issue during his visit.

"This is an issue of ultimate importance to Israel, and which involves no real conflict with anyone else," said Moshe Arens, one of Mr. Shamir's closest aides and the minister in charge of Soviet Jewry.

"We think that it is basically incorrect to say that someone who has received a visa to come to Israel, and who under the Law of Return becomes an Israeli citizen when he steps on Israeli soil, is a refugee," he said. "And we think this would help with the dropout problem."

Mr. Arens said that of the nearly 1,000 Soviet Jews who received permission to emigrate to Israel in 1986, about 80 percent decided not to come once they reached transit and processing centers in Vienna and Rome. Most of the "dropouts" went to the United States.

From October 1985 to December 1984, of the 264,517 people who

left the Soviet Union with Israeli visas, approximately 100,000 did not go to Israel, according to the U.S. National Conference on Soviet Jewry. In 1979, the peak year, 51,320 Jews left the Soviet Union, but the number dropped to 100 to 200 a month in the 1980s.

"The Soviet cutoff had a lot to do with the dropout problem," Mr. Arens said. "Soviet officials have complained that these people are not going to Israel."

Soviet diplomats have said privately that the steady flow of Soviet Jews to the United States has undermined the official explanation that Jews were being allowed to leave to reunite families rather than as a special exit privilege denied to other Soviet citizens.

Representatives of U.S. Jewish groups involved in emigration said

Mr. Shamir's plea for help was likely to meet opposition.

Soviet Jews should have refugee status because they "either have been persecuted or have a well-founded fear of persecution if they return," said Karl D. Zuckerman, executive vice president of the Hebrew Immigration and Aid Society in New York.

In an interview, Mr. Shamir repeated that Israel would continue to oppose Soviet participation in an international peace conference on the Middle East until Moscow changed its emigration policies and resumed diplomatic relations with Israel.

Moscow has said that relations with Israel would resume the day a peace conference with Soviet participation began.

Israel to Start Trial of Accused Nazi

TEL AVIV — An extradited American autoworker goes on trial for his life Monday in the first Nazi war crimes proceedings in Israel in a quarter century.

Twenty-five years after Adolf Eichmann, an architect of Hitler's "final solution" for the Jews, was tried and hanged in Israel, John Demjanjuk, 66, will try to persuade a three-judge court in Jerusalem that he is not the man accused in the indictment.

Israel says that Mr. Demjanjuk, who was born in the Ukraine, was a Nazi SS guard who whipped, tortured and gassed hundreds of thousands of Jewish prisoners at Treblinka in Poland during World War II.

Mr. Demjanjuk moved to the

United States after the war and was deported to Israel a year ago. He has been held in solitary confinement in Ramleh prison, near Tel Aviv. He has said that he was never in Treblinka and that he was himself a Nazi prisoner-of-war.

Mark O'Connor, Mr. Demjanjuk's lawyer, said at a pre-trial hearing that "guilt or innocence will not be the issue here." He added: "The man depicted in the indictment may well have committed the unspeakable brutalities attributed to him. That man, however, is not before this court."

Mr. Demjanjuk faces the death penalty under Israel's 1950 Nazis and Nazi Collaborators law if found guilty of committing crimes against the Jewish people and humanity.

According to the indictment, Mr. Demjanjuk "together with other persons caused the deaths of hundreds of thousands of Jews with the intention of destroying the Jewish people."

In 1981, a U.S. court revoked Mr. Demjanjuk's American citizenship because it found that he had concealed his wartime activities on his entry to the United States. This made his extradition possible.

Mr. Demjanjuk told the U.S. court that he had lied on his application because he feared officials would repatriate him to the Ukraine because of his service in the Soviet Army in 1941.

The Israeli authorities hope the trial will give Israeli youth perhaps a last chance to hear first-hand accounts of the death of six million Jews more than 40 years ago.

Raids in Peru Show Garcia Frustration

Washington Post Service

LIMA — Police raids on three universities in Lima on Friday, during which one person was killed and hundreds arrested, indicate the increasing frustration felt by the government of President Alan Garcia Pizarro in its search for ways to stop subversive violence, analysts said over the weekend.

Mr. Garcia has been huddling with his National Defense Council and cabinet for the past two weeks to reformulate counterinsurgency programs and has been under pressure from the military to move more decisively against leftist guerrilla groups.

Interior Minister Abel Salinas showed reporters one automatic weapon, 18 handguns, homemade explosives, dynamite and stacks of propaganda in support of Maoist Shining Path guerrillas and other groups that had been removed from three dormitories at the three national universities.

Mr. Salinas said 4,000 policemen participated in the raids, arresting 793 people. Few of those arrested had identification documents, so it is not known how many are students. Two civilians and three policemen were wounded, and a student died of his wounds later.

[At a later news conference, Mr. Salinas said that 90 of the detained suspects would be formally charged. He added that 264 persons had been freed and that the remaining detainees still were being questioned. The Associated Press reported.]

The three universities, San Marcos, the National University of Engineering and a teachers' college, have long been centers of radical politics.

DOONESBURY



Sign spotted in a New York taxi by Karen Weitzner and reported to The New York Times: PLEASE FEEL FREE TO SMOKE. THANK YOU FOR NOT JOGGING.



INTERNATIONAL **Herald Tribune**

The Palestinian Question

So worried have most outsiders become of the seemingly unending violence, suffering and disorder in Lebanon that it takes an extraordinary event to draw much attention. Such an event is taking place now: starvation drive enough to make the victims eat rats. It is happening in a refugee camp in Beirut called Burj al-Brajneh. Inside are Palestinians. Outside, enforcing a blockade, is Amal, the Shiite Muslim militia. Recent publicity is increasing the pressure for relief, but United Nations food convoys are still being shot off the road.

If one could wave a wand and order all foul acts ended in Lebanon, the list of those to summon to virtue would be as long as your arm. Obviously, the occasional surge of compassion and outrage that outsiders can muster makes little difference. Two seemingly intractable struggles are going on in Lebanon. Nearby foreign powers, including Syria and Iran, are vying for spheres of influence, and the Lebanese are fighting among themselves for survival and power. Most of the more distant foreign powers, including the United States, have reduced their roles to near the vanishing point.

Abandon the Wreckage

A panel appointed by the Reagan State Department to evaluate policy toward South Africa offers this startling judgment: "The administration's strategy of constructive engagement has failed to achieve its objectives." Does that mean what it seems to mean? Not quite, asserts a stung State Department, because the administration has never claimed to achieve all its objectives. True, but those who trouble to read the panel's report will find a devastating attack on the six-year-old policy of trying to end apartheid by friendly persuasion.

however, was that Washington routinely exaggerated token "reforms" proffered by Pretoria. To black Africa, Ronald Reagan became an apologist for apartheid. The panel gets it right. It recommends "against U.S. endorsement of reforms" that fail to address the fundamental concerns of black South Africans. It says "applause for piecemeal reforms has proven counterproductive." It argues that change must be part of a process of negotiation with the spectrum of black organizations, including the outlawed African National Congress and its jailed leader Nelson Mandela.

Warnings on Nicaragua

From two senior U.S. military officers come sobering statements on Nicaragua that the senior political ranks of the Reagan administration do not seem to have fully absorbed into their policy thinking. Retired General Paul Gorman, former head of the command that oversees Central America, suggested recently that the administration has gone wrong in its training and arming of the contras: It has made them "a cross-border raiding force" rather than a force able to wage unconventional warfare. As a result, said General Gorman, "I don't think [the Sandinistas] regard the contras as a serious threat. I think they've got the situation under control... Unless and until we are able to launch a genuine unconventional warfare campaign, the use of that kind of military instrument is not an option that the president of the United States has."

That is a remarkable indictment of the Reagan administration's record in seven years of involvement with Nicaragua. Speaking the other day, Admiral William J. Crowe Jr., chairman of the Joint Chiefs of Staff, was more sanguine about the pros-

Not to Be Taken Seriously

No American commercial television production has ever come remotely close to the sustained quality of British miniseries like "Brideshead Revisited," "Clarendon" or "Ascend of Man." What American networks do provide is elephants like "Amerika." This 14-hour political melodrama, costing at least \$40 million, tells a good deal about how ABC Entertainment regards the average viewer's intelligence.

middle of Ronald Reagan's second term. In other words, it is very hard to take "Amerika" seriously. Hence, the United Nations is misguided to threaten a lawsuit over the program's use of UN peacekeeping emblems by Soviet occupiers. Hence, liberal critics are wrong to demand time to give the other side of the story.

OPINION



Yes, Terror — but Why Call It 'Moslem' or 'Arab'?

WASHINGTON — I am perturbed by the tendency to use the simplified equation "Moslem-terrorist-Arab." There are almost 200 million Arabs and close to a billion Moslems in the world. Is it honest or fair that they be blanket-labeled with the "terrorist" label through the indiscriminate use of an identifying "Moslem" or "Arab" adjective in media coverage of terrorist actions emanating from the Middle East?

By Mohamed Kamal
The writer is Jordan's ambassador to the United States.

Certainly there are Moslems who are terrorists, but do the words "Arab" and "Moslem" have to be attached immutably to the word "terrorist"? This offends honesty and fair play, and is contrary to the ethical norms of journalistic practice. The press would not think of writing "black thief" or "Christian murderer." Why then does a qualifying racial or religious adjective become acceptable when it is "Arab" or "Moslem"?

his address to the conference, King Hussein of Jordan reflected this latter concern by saying: "Many efforts are being made to weaken the Moslems by feeding their internal conflicts and internationalizing their problems. We are witnessing today a carefully concerted campaign to tarnish our Islamic image by linking Islam to acts of terrorism carried out by certain individuals and groups. Islam, our religion, abhors such acts. Islam, in which the preservation of life is a basic principle, prohibits any unlawful killing."

'Amerika' Is Irresponsible, Dangerous Television

By John E. Mack

CAMBRIDGE, Massachusetts — The television miniseries called "Amerika," depicting the United States in 1997 after 10 years of Soviet occupation, raises profound questions about the responsibilities of the mass media in the nuclear age.

especially young people, about the rest of the world. The vivid, dramatically powerful images of hateful, sadistic Russians are likely to make a deep impression, inspiring fear and confirming the lopsided view of the Russian character and the distortions of Soviet intentions to which we have been repeatedly subjected.

"Amerika" should be shown in the Soviet Union was hotly debated during a conference in Moscow that I attended last month. The subject was "The Psychology of Enmity vs. Partnership Images." Some argued, in the spirit of a new openness, that nothing should be withheld from the Soviet people, and trusted their ability to see the series in a balanced perspective.

INTERNATIONAL HERALD TRIBUNE
JOHN MAY WHITNEY, Chairman 1988-1992
KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
LEE W. HUEBNER, Publisher
JOHN VINCIGUERRA, Executive Editor • WALTER WELLS, Editor • SAMUEL ARI, KATHERINE KNORR
FRANÇOIS DESMAISONS, Deputy Editor • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages
RENE BONDY, Deputy Publisher • ALAIN LECOUR, and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISONS, Circulation Director • ROLF D. KRANEPUHL, Advertising Sales Director
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France.
Tel.: (1) 46.37.93.00. Telex: Advertising, 613959; Circulation, 612832; Editorial, 612718; Production, 630698.
Director de la publication: Walter N. Thayer.
Editor for Asia: Michael Richardson, 5 Cantonment Rd., Singapore 0511. Tel. 474-7768. Telex R556928
Managing Dir. Asia: Malcolm Glavin, 50 Gloucester Road, Hong Kong. Tel. 5-861001/6. Telex 61170
Managing Dir. U.K.: Robin MacKichan, 63 Long Acre, London WC2E. Tel. 836-4802. Telex 262009
Gen. Mgr. W. Germany: W. Lauerbach, Friedrichstr. 15, 10000 Frankfurt/M. Tel. (069) 230533. Telex 410211
Pres. U.S.: Michael Cowart, 830 Third Ave., New York, N.Y. 10022. Tel. (212) 723-8870. Telex 427173
S.A. au capital de 1.200.000 F. RCS Nanterre B 232021126. Conventions: Paritaire No. 61337
© 1987, International Herald Tribune. All rights reserved. ISSN: 0254-8052

A Free Society's Show, but With a Point

By Sergei Zamascikov

LOS ANGELES — The reaction of the government-controlled Soviet media to the "Amerika" television series in the United States is similar to the reaction of some people and political groups in the United States. Both sides see it as encouraging anti-Soviet feelings so as to create a climate against arms control and more supportive of armed conflict.

whom, not the government. The producers are under no obligation to respond to political, social, religious or any other pressures. They certainly should not be responsive to government pressure. This is the strength of the American political system, protected by the First Amendment — the kind of "luxury" that no Communist government could ever allow.

did not think of what the consequences would be to [their] fullest extent, or expect anyone to take it this seriously." He acknowledges that he does not believe that the Kremlin is interested in taking over the United States. He admits to not being "too well versed in the Soviet system."

IN OUR PAGES, 75 AND 50 YEARS AGO
1912: Autos vs. Horses
PARIS — The omnibus horses of Paris are fast disappearing, and the time is not far distant when the Parisian will ride to and from his place of business not behind three dapple gray "percherons" but instead behind a many-horse-powered automobile. In a recent horse census it was announced that there were only 5,436 horses in the stables of the Compagnie Générale des Omnibus. Just after the Exposition of 1900, the Paris company had 16,579 horses.
PARIS — M. Aron was one more victim to the dangerous condition of the Champs-Élysées resulting from the chauffeurs' strike. The driver of the taxi-auto which inflicted the fatal injuries had been put through a hasty period of training and his loose on the streets of Paris so inexperienced in the art of automobile driving as to make him a public danger.

Maybe Acid Is Eating This Rock

By Jim Hoagland

JERUSALEM — The Reagan administration's efforts to forge a "strategic consensus" with Israel have survived misadventures and contradictions that would have killed off almost any other policy initiative. The surface of U.S.-Israeli relations appears to be impermeable, a rock that had news and setbacks splash over without leaving a trace.

Imagine the firestorm of outraged speeches in Congress that would have followed the discovery that a French secret service had been running an American spy inside U.S. intelligence. Consider what Richard Perle, and others would be saying if aides to West Germany's Hans-Dietrich Genscher, and not Israel's Shimon Peres, had repeatedly egged on the White House in its search for Iranian moderates to provide with weapons.

What is often missed in viewing Israel from abroad is the strong abhorrence that many Israelis feel for any degree of dependence on an outside power, even the United States. Israel was founded out of the flames of the Holocaust as a state in which Jews would control their own destiny and never again be vulnerable to the dictates of others.

A successful Iranian adventure, even with the Israeli role hidden, would have helped reduce this troubling contradiction, vis-à-vis Washington. It is this, even more than the idea of providing a fair return on U.S. strategic investment, that drove the Israeli desire to "do a friend a favor" by undertaking the operation. But it failed, and there is concern here that a politically damaged Ronald Reagan or even his successor may find it difficult to call on Israeli operatives in the future for joint adventures.

While the basic relationship remains undisturbed, it may temporarily be constrained from developing as rapidly as it has in the Reagan years. A State Department commitment last autumn to find a way to reduce the amount of interest paid under the U.S. Foreign Military Sales program provides one example.

1937: Amnesty in Italy
ROME — For the first time in five years, Fascism will extend a political amnesty to the foes of Benito Mussolini's dictatorship. The occasion is the birth [on Feb. 12] of Victor Emmanuel, heir of the House of Savoy, to the Prince and Princess of Piedmont. An amnesty for criminals was announced just after the birth, and there was a hope it would be extended to political prisoners in view of the strength Fascism has gained from the conquest of Ethiopia. The newspapers have front-page announcements of a more significant amnesty, whose extent has not yet been revealed. Meanwhile, anxious families have little but generalizations. The "Giornale d'Italia" editorial, for example, arguing that states show their greatness in moments of happiness, concludes that "once more the great heart of Il Duce has been revealed."

WIDER: 4-2
IRBU S: New Jour
WALL STREET JOURNAL
WALL STREET JOURNAL
WALL STREET JOURNAL

Economic Growth Is Said to Threaten Earth's Ecology

By Cass Peterson
Washington Post Service

WASHINGTON — A century of global economic growth has reached the point of diminishing returns and is creating environmental havoc that could eventually render the planet uninhabitable, according to a private Washington-based research organization.

In the fourth and gloomiest of its annual "State of the World" reports, the Worldwatch Institute said recent scientific disclosures suggested that human activities were pushing natural systems to the point of collapse, with potentially disastrous consequences for future generations.

"As currently pursued, economic activity could be approaching a level

where further growth in the gross world product costs more than it is worth," the report said. "The scale of human activities has begun to threaten the habitability of the Earth itself."

The report was written by the institute president, Lester R. Brown, and seven colleagues. It cited recent trends in atmospheric degradation as evidence that natural systems were being pushed beyond their capacity to adjust.

In the last two years, scientists have become increasingly concerned about a mysterious "hole" that appears each year in the Earth's protective ozone layer over Antarctica.

At the same time, meteorologists have confirmed a slight but troubling increase in global temperatures that some believe foreshadows major climate changes.

Both phenomena have been linked to airborne pollutants from industrial activity. Worldwatch said they were evidence that "the negative side-effects of this century's twenty-fold expansion of economic activity are now becoming inscapable."

According to the report, gross world product has grown from roughly \$600 billion in 1900 to more than \$13 trillion in 1986, an increase fueled mainly by a 12-fold increase in fossil fuel consumption.

The rapid industrialization is exacting a price on the environment, it said, and is likely to affect the economy as well.

As an example, it cited forest damage from airborne pollution in West Germany. Damage was estimated at 8 percent in 1982. By 1984, surveys showed more than 50 percent of the forest damaged or dying, a major threat to tourism and wood-products industries.

The report also questioned the future of modern agriculture, including the "green revolution" that it heralded as "the most successful achievement in international development since the Marshall Plan."

In developing countries, as in the United States, increased yields have largely stemmed from huge infusions of energy-fuel for tractors, electricity for irrigation pumps and fossil fuel-based fertilizers.

The report said such energy-intensive practices have put the green revolution out of reach for scores of poorer countries and are a growing threat to agriculture in better-off nations as energy supplies diminish.

Ukraine Aide Dismissed for Power Abuses

MOSCOW — A Communist Party official in the Ukraine has been dismissed following the unlawful arrest of a reporter who exposed abuses of power, the Ukrainian party leader said Sunday.

The leader, Vladimir V. Shcherbitsky, also a member of the ruling Politburo, said in the party newspaper Pravda that Boris T. Goncharenko, party chief for the Voroshilovgrad region, had been dismissed after "gross violations of the law in the region."

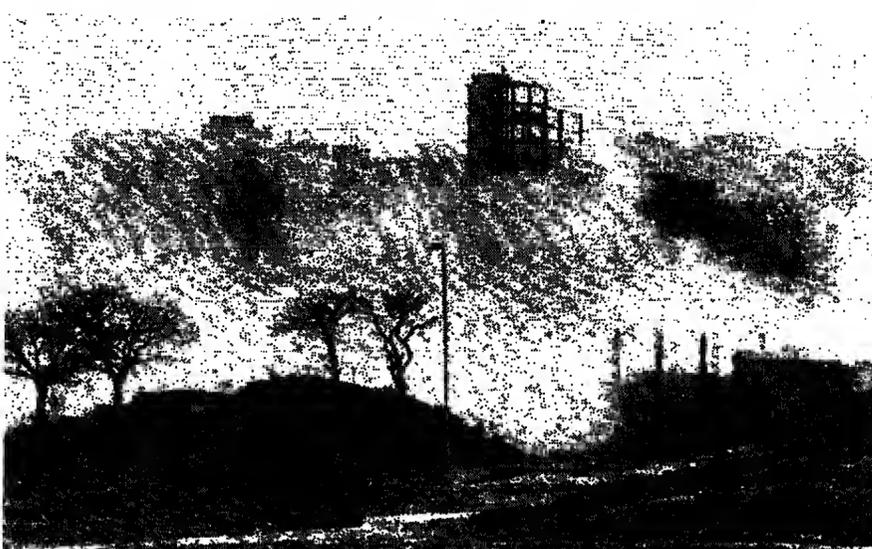
These included the arrest on hooliganism charges of a reporter, Viktor Berkhin, in the city of Voroshilovgrad in July. It followed publication of an article in which Mr. Berkhin revealed abuses of power by the police and local officials, Mr. Shcherbitsky said.

The dismissal of Mr. Goncharenko, 60, a member of the party Central Committee in Moscow, followed the dismissal last month of A. Dichenko, a senior Ukrainian KGB security police officer, for his role in Mr. Berkhin's arrest.

Mr. Goncharenko, Voroshilovgrad party chief since December 1971, had earlier been implicated by Pravda in allowing corruption.

Mr. Shcherbitsky said in a front-page article that several other officials, including the Voroshilovgrad city party chief, O. Kutyar, and the head of the region's city council, R. Zverev, had been reprimanded.

Pravda said no action had been taken on Mr. Berkhin's arrest for more than four months.



Smoke rising Sunday after shelling at the Burj al-Brajneh refugee camp near Beirut during fighting between Palestinian guerrillas and Shiite Moslem militiamen. The fighting began after civilians trapped in the camp were evacuated.

Kidnappers Withdraw Offer to Exchange Captives

By Ihsan A. Hijazi
New York Times Service

BEIRUT — A militant Moslem group has withdrawn its offer to exchange three American professors and an Indian scholar for 400 Arab prisoners held by Israel but did not fix a new date for killing the captives.

The group, Islamic Jihad for the Liberation of Palestine, said the punishment "will be civilized." It did not elaborate.

In its statement, delivered Saturday to a news agency in West Beirut, the group said the United States had failed to respond to its "just demand."

The statement came two days after Secretary of State George P. Shultz said that the Reagan administration did not want to arrange a deal by Israel or anyone else to free foreign hostages in Lebanon.

Along with its statement, Islamic Jihad issued a photograph of one of the three American captives, Robert Polhill.

Mr. Polhill was kidnapped Jan. 24 from the campus of Beirut University College along with two other American professors, Alan Smeen and Jesse Turner, and an Indian scholar, Mithileswar Singh.

Earlier, the kidnappers, believed to include Palestinians and Lebanese Shiite militants, called off a deadline to kill the hostages and repeated its offer to trade them for 400 Lebanese and Palestinian guerrillas detained by the Israelis.

The withdrawal of that offer Saturday came against a background of reported concern about United States naval moves in the eastern Mediterranean and what some Lebanese publications called threatening remarks by American officials.

■ Gemayel Aide Released

Kidnappers on Sunday released Jean Obeid, an advisor to President Amin Gemayel of Lebanon, United Press International reported from Beirut. At the same time, a Druze leader urged the pro-Iranian fundamentalist Hezbollah, or Party of God, to free Terry Waite, an envoy of the Church of England, if it was holding him.

In another development, an American Moslem leader, defying a U.S. ban on travel in Lebanon, began a mission he said was aimed at securing freedom for all Lebanese and foreign hostages.

Security sources said Mr. Obeid was freed, apparently unharmed, in West Beirut. He was abducted by gunmen Thursday.

A Druze leader, Walid Jumblat, called on Hezbollah to free Mr. Waite, who has been missing since Jan. 20. "If he is held with them, because this issue is illogical and not acceptable," Hezbollah has denied that it is holding Mr. Waite.

The American Moslem leader, Mohammed Mehdi, head of the American-Arab Relations Committee, said he was not concerned about becoming a prisoner like Mr. Waite because he was a Moslem.

Mr. Mehdi said, "We are calling on America and the American people to stop all their military aid to the Arabs and Israel in the interests of peace." He blamed U.S. intervention for the kidnappings of Americans and other persons in Lebanon.

■ Heavy Fighting in Beirut

Heavy fighting engulfed the center of Moslem-controlled West Beirut on Sunday and residents sheltered themselves indoors in anticipation of further battles, The Washington Post reported from Beirut.

Four people were killed and 15 wounded in clashes between forces of the Lebanese Communist Party and Shiite Amal militiamen. Leftist sources in West Beirut said an argument over establishment of a new Amal office near the building housing the An Nida newspaper, the organ of the Lebanese Communist Party, turned into an all-out battle.

JORDAN: Amman Officials, After a Year, Meet PLO

(Continued from Page 1)

between Jordanian and Israeli technical delegations and the opening of the first Arab bank since to operate in the West Bank since the Israeli occupation began in 1967.

"What is a bank," he asked, "when Israel is seizing more land, arresting and expelling more Palestinians, demolishing more houses, shutting down West Bank universities again?"

Still, the PLO has avoided frontal attacks on concrete investment schemes for the West Bank because residents have made clear that they favor a fresh money likely to spur the flagging economy.

Nonetheless Western diplomats said Jordan was determined to prevent the joint committee's discussions from taking on wider political significance.

For example, Khalil Wazir, an important Arafat lieutenant better known as Abu Jihad, who was expelled in July, was allowed back only Saturday night to lead the PLO delegation at the talks. Station radio and television made no mention of his return.

Even such a high-ranking PLO official as Mr. Milhem said the meeting Sunday was only a "step forward reaffirming the PLO's role."

At best, he hoped that Mr. Wazir could meet Prime Minister Zaid al-Rifai of Jordan to "break the ice" before leaving the kingdom after conclusion of the talks.

Refugee Transfer on Thai Border Called 'Ominous'

By Barbara Crossette
New York Times Service

BANGKOK — The sudden relocation of large numbers of refugees under Khmer Rouge control in four inaccessible Thai-Cambodian border camps is worrying relief agencies, a United Nations aid official said Saturday.

The official, Tatsuro Kumugi, said that secretive nighttime transfers in January were particularly "ominous." He said those movements involved 1,683 people from a relatively open Khmer Rouge civilian camp known as Site 8 to a closed camp at Na Trao, more than 250 miles (400 kilometers) to the northeast.

million Cambodians died during those years by execution, starvation, disease and forced labor.

There have been reports that Ta Mok may be trying to wrest control of the Khmer Rouge from Son Sann, the publicly announced successor to Pol Pot, who is believed to be terminally ill.

Khmer Rouge officials have said the clandestine movements in January were cases of "family reunification." Mr. Kumugi said that relief officials who were allowed to interview some of the people moved were told that they had gone voluntarily.

Mr. Kumugi is completing a three-year assignment as the United Nations secretary-general's special representative on Cambodian assistance.

Diplomats and aid officials speculate that the relocated civilians may be needed for logistical support as the Khmer Rouge guerrillas move deeper into Cambodian territory.

The three guerrilla armies opposing the Vietnamese-imposed government in Phnom Penh say they are now able to operate in almost every Cambodian province.

Mr. Kumugi said the 1,683 people were moved out by truck on Jan. 13, 14 and 15. Although the Thai Army has denied involvement, refugees officials say the movement could not have taken place without the knowledge of the military, which controls the roads in the border zone. Thailand supports the Cambodian guerrillas.

Mr. Kumugi said relief agencies were effectively barred from observing the distribution of essential aid — food, water and building materials — at Na Trao and Huay

Chan camps in Sisaket Province and Borai and Ta Lueng camps farther south in Trat Province. There are 29,000 people in the four closed camps.

International aid is intended only for civilians, not guerrilla armies. The United Nations Border Relief Operation has the authority to recommend the curtailing of humanitarian aid to the closed camps.

There is no problem of access to civilian settlements managed by the two non-Communist guerrilla organizations, the Khmer People's National Liberation Front and the army under the control of Prince Norodom Sihanouk, a former Cambodian ruler.

BEGUN: Soviet Dissident 'Is Free'

(Continued from Page 1)

added that Mr. Begun had refused to sign such a statement and thus had been refused pardon.

It was not clear Saturday whether Mr. Begun had relented or whether Soviet authorities had released him without any signed promise. Inna Begun has said in the past that her husband has not acknowledged that his activities in teaching Hebrew and writing about the situation of Jews in the Soviet Union were criminal.

■ Sakharov Makes Appeal

Earlier Philip Tansman of the New York Times reported: The Soviet authorities gave Mr. Sakharov an official forum to speak his mind here Saturday and he used the unusual occasion to appeal for more civil liberties and an easing of emigration curbs.

The physicist, who was confined for seven years to Gorky for his public criticism of Soviet policies, said in a 10-minute speech that "a more open and democratic Soviet Union would be a great safeguard to peace."

The speech, in an arms control forum, was his first appearance at a major government-sponsored function since he returned from exile in December. He was warmly applauded by foreign guests, but, according to Western participants, not by Soviet scientists present. Foreign reporters were barred from the event.

Saying that the role of democracy in East and West was essential to resolving international tensions, Mr. Sakharov urged the Soviet authorities to ease the stringent limits on emigration and to free people imprisoned for criticizing the government. He called on the West to encourage the changes initiated by Mikhail S. Gorbachev, the Soviet leader.

"It is in the interest of the West that these reforms should succeed so that the Soviet Union can be a more stable partner," he said. "The West must not try to corner the Soviet Union. A cornered nation is always dangerous."

Mr. Sakharov, who spoke out often about arms control before his



Joseph Z. Begun

PROJECT: Covert 'Umbrella'

(Continued from Page 1)

overt side said he did not know the program had a secret component.

Carl Gershman, president of the National Endowment for Democracy, also said he did not know the project had a covert side. But if it did, he said, it was a perversion of the project's original concept.

Much of the early debate over Project Democracy in 1982 centered on the concern that it would be used as a vehicle for covert activities. Congress agreed to fund it late in 1983 only after William J. Casey, the director of the Central Intelligence Agency, promised that his agency would not be involved.

As it turned out, the agency did not run the project because officials had decided to run the covert side from the National Security Council.

Officials said the Tower commission, set up to investigate the National Security Council, has been unable to prove that Mr. Reagan directly authorized the secret activities carried out under the project.

But in August 1985, when the New York Times first disclosed that Colonel North had been heavily involved in aiding the Contras under the program, the White House spokesman, Larry Speakes, issued this statement:

Once you cross international borders,

At BFCE we're specialists—running a streamlined operation—and it gives us an edge.

It gives our clients an edge, too. In all kinds of international areas:

- On a loan in any currency—depending on the country, we can absorb the risk or find a good home for it.
- In other complex fields such as investment banking and countertrade where our expertise and acumen are especially relevant.

And—because we're active around the clock in the interbank, foreign exchange and financial markets in New York, London, Paris, Milan and Singapore—we're ready, willing and able to manage with you your foreign exchange and interest rate positions.

Several thousand companies around the world, including commodity traders, of course, are successfully operating with credit—and know-how—supplied by BFCE.

They know that once you cross international borders you enter a territory where only the fast-footed survive.

BFCE territory.

you need a bank that's lean and keen and fleet of foot.

BFCE Banque Francaise du Commerce Extérieur

BRANCHES: LONDON · MILAN · NEW YORK · HOUSTON · SAN FRANCISCO · SINGAPORE · REPRESENTATIVE OFFICES: BANGKOK · CAIRO · CANCUN · HONG KONG · JAKARTA · MELBOURNE · MEXICO CITY · NEW YORK · ROME · SÃO PAULO · OVERSEAS AGENTS: BOGOTA · BOMBAY · JOHANNESBURG · LIMA · LUXEMBOURG · MADRID · MANAGUA · MONTREAL · NAGASAKI · NANTES · PARIS · SANTIAGO · SINGAPORE · SOFIA · ST. LOUIS · TAIPEI · TIENTSIN · VIENNA · ZÜRICH

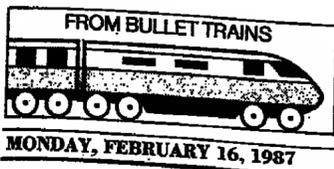
Maybe... Is Eating This Rock...

SWISS PARTY PICKS Woman as Leader

LUCERNE, Switzerland — Eva Segmüller-Weber, a member of parliament, has become the first woman to head a major Swiss political party.

Mrs. Segmüller-Weber, 55, who represents the northeastern town of St. Gallen, was named chairman Saturday of the Christian Democrats, one of Switzerland's four governing parties.

She won 260 out of 264 votes at a special meeting to make the breakthrough into Switzerland's male-dominated political system. Mrs. Segmüller-Weber replaces Flavio Cotti, who became interior minister at the beginning of the year.



MONDAY, FEBRUARY 16, 1987

EUROBONDS

Healthy Stock Gains Whet Japanese Thirst for Equity

PARIS — A flood of new issues, the heaviest so far this year, hit the international capital market last week. But underwriters' enthusiasm to generate new business far outpaced investors' willingness to make new commitments, leaving most of the paper trading at substantial discounts from the offering prices.

In December, equities accounted for 15 percent of the net Japanese outflow.

A PARTIAL breakdown of the figures reported in the February issue of Nomura Investment Review, covering only transactions involving securities houses situated in Japan, shows \$600 million of net stock purchases in December. Only a small portion of that figure, \$188 million, was identified as going into U.S. stocks.

The third for equity is reflected in the hefty premiums investors are asked to pay for these bonds bearing stock options. In almost all the issues, this premium amounts to about 30 percent. The premium is composed of two elements: the below-normal coupon on the bond and the exercise price to buy the stock.

See EURO BONDS, Page 9

Spain Rescuing FECSA

Asks Creditors To Defer Interest

MADRID — As part of a rescue package, Spain will ask foreign banks to accept postponement of interest payments on almost 200 billion pesetas (\$1.56 billion) of loans to its FECSA power company and seek "minor" debt cancellations, according to a government spokesman.

He said the government would not provide cash but would help work out a restructuring plan. Electrical industry sources said FECSA's problems arose partly because it had raised costly loans to finance nuclear power stations.

He will negotiate a restructuring plan with FECSA's creditors, about 100 local and foreign banks and savings institutions. The spokesman said FECSA was an isolated case and Spain's 20 other power companies were able to meet their combined 3,600 billion peseta debt with their own capital resources.

Indonesia Gripped by Gold Fever

Fortune Seekers, Legal and Illegal, Rush to Jungles

By Barbara Crossette New York Times Service

MANDOR, Indonesia — Indonesia is caught up in gold fever. Deposits discovered in the once-inaccessible interior of the island of Borneo, which Indonesians call Kalimantan, have drawn the interest of a raft of international mining companies as well as thousands of poachers and other fortune seekers.

Nevertheless, the Penzance unit is involved in two major exploration areas, including numerous sites around Mandor, 50 miles (about 80 kilometers) north of the city of Pontianak in the province of West Kalimantan. It is not alone: 34 mining contracts were signed in Jakarta in December with international companies and another 76 applications are being processed by the government.



Drilling for earth samples. At right, separating gold from soil.

history 150 years," said Michael Novotny, a director of Australian Pelsart Resources Corp. "The gold is still in the outcrops."

Mr. Miller and other Americans are more reserved in their assessments. "At this point we can say only two things for certain," Mr. Miller said. "One: We know there is gold there. Two: There is every reason to believe it is worth pursuing."

See GOLD, Page 10

Airbus Rolls Out A-320, Confirms Lufthansa Order

TOULOUSE, France — In an elaborate display of European solidarity, Airbus Industrie has unveiled the latest addition to the range of aircraft with which it hopes to secure a major place in the world commercial jet market.

At the roll-out, Prime Minister Jacques Chirac of France said the U.S. decision represented a "substantial pullback" from the threats of retaliation.

Foreign Trade Minister Michel Noir of France said the dispute would be aired at a meeting of a special GATT committee on aeronautical affairs in Geneva on March 2.

China Extends Bank Reforms To 14 Cities

BEIJING — China has extended its experiment in giving more autonomy to local banks and developing money markets to 14 more cities, the official news agency Xinhua reported Sunday.

Hersant Favored to Win TV Channel

French Publisher's Unlikely Alliance Is Key to Likely Success

By Julian Nundy International Herald Tribune PARIS — Robert Hersant, the controversial rightist publisher of Le Figaro newspaper, appears certain to gain control of France's fifth television channel, according to media analysts.

It will also announce the new operator of the sixth channel, TV6, a rock station. The two bidders for La Cinq have given public prospectuses with detailed financial analyses and proposals for the station.

After the war, Mr. Hersant was elected to the National Assembly for the Gaullist Rally for the Republic. Mr. Hersant has built up a French press empire with 38 percent of national and 20 percent of provincial newspaper circulation.

Advertisement for JET AVIATION, featuring a jet airplane and text: "Special People, serving Special People. Jet with Jet Aviation, the leading international aviation organization..."

Last Week's Markets

Table with columns for Stock Indices (DJI, NYSE, FTSE, Nikkei, Hang Seng) and Money Rates (Federal funds rate, Prime rate, etc.).

Currency Rates

Table with columns for Currency Rates (Ausschuss, Frankfurt, London, Milan, New York, Paris, Tokyo, Hong Kong, etc.).

Selected U.S./A.L.C. Quotations

Table with columns for Selected U.S./A.L.C. Quotations (Bitter Corp., Chiron, GoodMark Foods, etc.).

Large advertisement for ITT Corporation and Alcatel N.V. featuring the text: "ITT Corporation has sold its Telecommunications Business to Alcatel N.V. a joint venture formed with Compagnie Générale d'Electricité of France."

New International Bond Issues

Compiled by Laurence Desvillettes

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
FLOATING RATE NOTES						
Bank of Tokyo	¥400	1992	0.40	100	99.75	Over 3-month French Treasury bill. Noncallable. Fees 0.25%.
FIXED-COUPON						
Cargill	\$150	1997	8 1/4	100 1/4	97.75	Noncallable. Fees 2%.
Corporate Property Investors	\$100	1997	8 1/4	101 1/4	100.38	Noncallable. Fees 2%.
Daiwa Europe	\$100	1992	7 1/2	101 1/4	99.23	Noncallable. Fees 1 1/2%.
Eurofima	\$100	1997	7 1/2	101 1/4	98.98	Noncallable. Fees 2%.
Guaranteed Export Finance	\$150	1997	7 1/2	101	—	Noncallable. Fees 2%. Denominations \$10,000.
IBM Credit	\$200	1990	6 1/4	101.05	99.55	Noncallable. Fees 1 1/2%.
Morgan Guaranty Trustco	\$150	1990	7	101.05	99.65	Noncallable. Fees 1 1/2%.
Norges Kommunalbank	\$100	1997	7 1/2	101 1/4	99.50	Noncallable. Fees 2%.
Philip Morris Companies	\$100	1989	6 1/2	106 1/4	106.35	Noncallable. Fees 1 1/2%. Each \$5,000 note with seven 18-month warrants, each entitling holders to buy \$500 of a fixed exchange rate of 2.7625 marks per pound. Fees 0.625%.
Union Bank of Finland	€50	1992	zero	70.20	68.75	Yield 7 1/2%. Noncallable. Proceeds \$34 million. Fees 1.25%.
Woolwich Building Society	\$150	1994	8	101 1/4	99.63	Noncallable. Fees 1 1/2%.
Xerox Credit	\$100	1990	7	101 1/4	99.88	Noncallable. Fees 1 1/2%.
Austria	DM 100	1993	5 1/2	100	98.75	Noncallable. Fees 2 1/2%.
Austria	DM 500	1997	5 1/2	100	97.13	Noncallable. Fees 2 1/2%.
Austria	DM 100	2002	6 1/4	100 1/4	96.75	Noncallable. Fees 2 1/2%.
Bank of Greece	DM 200	1994	6 1/2	100	98.80	Noncallable. Fees 2 1/2%.
Black & Decker	DM 100	1994	5 1/2	100 1/4	97.50	Callable at 101 in 1992. Fees 2 1/2%.
Indian Oil & Natural Gas Commission	DM 150	1994	6 1/2	100	99.00	Noncallable. Fees 2 1/2%.
Quebec Provinces	DM 300	1997	6	100 1/4	98.00	Noncallable. Fees 2 1/2%.
Wacker-Chemicals Finance	DM 75	1994	6 1/2	100	98.50	Noncallable. Fees 2 1/2%.
World Bank	DM 200	1993	5 1/2	100 1/4	—	Noncallable private placement.
Alliance & Leicester Building Society	£40	1992	10 1/4	101 1/4	97.83	Noncallable. Fees 1 1/2%.
Banque Indosuez	€50	1992	10 1/4	101 1/4	98.38	Noncallable. Fees 1 1/2%.
Halifax Building Society	£100	1997	10 1/4	100 1/4	97.63	Noncallable. Fees 2%.
McDonald's	€50	1992	10	101	98.90	Noncallable. Fees 1 1/2%.
Bank of Tokyo (Curaçao)	Line 50,000	1992	10 1/4	100	98.50	Noncallable. Fees 1 1/2%.
CIR Int'l	ECU 100	1994	8 1/4	101	98.63	Noncallable. Fees 1 1/2%. Also 100,000 five-year warrants, priced at 17 ECU each, exercisable into an additional 100 million ECU of same bonds.
Copenhagen City	ECU 75	1997	8	100 1/4	97.63	Callable at 100% in 1994. Sinking fund to start in 1991. Fees 2%.
Crédit National	ECU 125	1990	7 1/2	101 1/4	99.75	Noncallable. Fees 1 1/2%.
Sociétés de Développement Régional	ECU 90	1995	7 1/2	100 1/4	98.75	Noncallable. Fees 1 1/2%.
Banca di Roma	Aus\$ 50	1990	15	101 1/4	98.88	Noncallable. Fees 1 1/2%.
Bremer Landesbank Finance (Curaçao)	Aus\$ 50	1990	14 1/4	101 1/4	99.75	Noncallable. Fees 1 1/2%.
Kraft	Aus\$ 100	1992	14 1/4	101 1/4	99.25	Noncallable. Fees 2%.
Toronto Dominion Bank (Nassau)	NZ\$ 50	1990	18	101 1/4	99.65	Noncallable. Fees 1 1/2%.
Banca Nazionale del Lavoro	Y 20,000	1992	5 1/2	104 1/4	104.00	Noncallable. Fees 1 1/2%.
Bergen Bank	Y 15,000	1992	5	101 1/4	99.75	Noncallable. Fees 1 1/2%.
European Community	Y 25,000	1993	4 1/4	101 1/4	99.63	Noncallable. Fees 1 1/2%.
Investors in Industry Int'l	Y 12,000	1993	5	101 1/4	99.75	Noncallable. Fees 1 1/2%.
National Australia Bank	Y 15,000	1992	1	101 1/4	—	Coupon will be 1% in first 2 years, and 7.825% thereafter. Noncallable. Fees 1 1/2%.
Royal Bank of Canada	Y 10,000	1992	4 1/4	101 1/4	99.75	Noncallable. Fees 1 1/2%.
EQUITY-LINKED						
KB Ifima	\$100	1994	4 1/4	100	99.50	Noncallable. Each \$5,000 note with 5 five-year warrants each exercisable into one share of company's shares at \$50.00 plus 15¢ per share. Fees 2 1/2%.
Keihan Electric Railway	\$70	1992	3	100	104.50	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at \$70 per share and of 15¢ per share. Fees 2 1/2%.
Kobe Electric Railway	\$30	1992	3 1/4	100	98.00	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at 77 1/2 yen per share and of 15¢ per share. Fees 2 1/2%.
Kyotaru Company	\$85	1992	3 1/4	100	98.00	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at 1,599 yen per share and of 15¢ per share. Fees 2 1/2%.
Tokyo Department Store	\$80	1992	3	100	102.00	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at 956 yen per share and of 15¢ per share. Fees 2 1/2%.
Tokyo Store Chain	\$50	1992	3	100	98.00	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at 943 yen per share and of 15¢ per share. Fees 2 1/2%.
Toyoda Tsushu Kaisha	\$70	1992	3	100	99.00	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at 591 yen per share and of 15¢ per share. Fees 2 1/2%.
AGAB Finance	DM 60	1994	3 1/4	100	100.50	Callable at 101 in 1993. Each 5,000-mark note with 2 warrants, exercisable into a total of 31 shares at 173 marks per share. Fees 2 1/2%.
Krones Finance	DM 20	1994	6 1/4	140	141.00	Noncallable. Each 1,000-mark note with 2 warrants, each exercisable into one share of company's shares at 650 marks per share. Fees 2 1/2%.
ASDA-MF Group	£120	2002	4 1/4	100	103.25	Redeemable at 126 1/4 in 1992 to yield 9.02% and callable at 101 in 1992. Convertible at 164 pence per share, a 9.25% premium. Fees 2 1/2%.
Redland Capital	£60	2002	7 1/4	100	102.00	Noncallable. Convertible at 540 pence per share, a 12% premium. Fees 2 1/2%.
Trusthouse Forte	£85	1992	10 1/4	119	119.00	Noncallable. Each £1,000 note with 485 warrants, priced at 39.2 pence each, exercisable into company's shares of 226 pence each, on 8% premium. Fees 2 1/2%.
W.H. Smith & Son (Holdings)	£50	2002	7 1/4	100	101.00	Noncallable. Convertible at 335 pence per share, a 10% premium. Fees 2 1/2%.
Groupe Videotron	CS 25	2002	7 1/2	100	—	Semiannually. Noncallable. Convertible for 10 years at CS22 per share, a 25% premium. Fees 2 1/2%.
WARRANTS						
Royal Bank of Canada (London)	0.10	24 mos	—	\$34 1/2	\$30.00	Call warrants each exercisable into \$500 of a fixed exchange rate of 155 yen per dollar. Break-even exchange rate 165.50 yen per dollar.
Royal Bank of Canada (London)	0.10	24 mos	—	\$36 1/2	\$34.00	Put warrants each exercisable into \$500 of a fixed exchange rate of 145 yen per dollar. Break-even exchange rate 134 yen per dollar.

Salomon Electronics Cut the Paper out of Commercial Paper

By Carl Gewirtz
International Herald Tribune
PARIS—Salomon Brothers, the big Wall Street investment bank, has declared war on its competitors for a larger slice of the commercial paper market, the fastest-growing sector of the international capital market.

With an increasing number of U.S. companies establishing Euro-CP programs specifically directed at investors outside the United States, Salomon announced plans last week for the global distribution of such short-term debt electronically.

Under its system, no paper will change hands. Cede, one of the two clearing systems used in the Eurobond market, will do the bookkeeping and Citibank's Global Treasury Management System will handle payments. The entire process of issuing, delivering, clearing and settling trades will be done on computers, eliminating much paperwork and thereby reducing costs, according to Daniel Benton, the Salomon vice president responsible for the plan.

He said that should eliminate the need for U.S. companies to set up separate Euro-CP programs since paper for any maturity in any currency could be created instantly to suit issuers' needs and investors' preferences.

Salomon's competitors are not impressed. They maintain that the international distribution of Euro-CP is already largely done electronically and that the plan is simply a gimmick to enhance Salomon's relatively small share of the domestic and international CP markets. Salomon accounts for around 11 per-

cent of the dealer-placed commercial paper in the United States, behind Merrill Lynch and Goldman Sachs, the market leaders.

Most threatened by the move are U.S. commercial banks who cannot

INTERNATIONAL CREDIT

fully compete with investment banks in the New York market. Domestically, commercial banks are restricted from taking positions—holding paper issued by companies until buyers are found. Outside the United States, units of Citicorp, Morgan Guaranty, Bankers Trust and Bank of America vie on an equal footing with investment banks.

Equally threatened are the foreign banks active in the international market, such as Swiss Bank Corp., Credit Suisse First Boston, County NatWest and Samuel Montagu, who play no role in the domestic U.S. market.

These competitors argue that almost all of the U.S. companies tapping the international market for- bid the sale of their paper to domestic U.S. investors, which is taken as proof that issuers perceive the markets to be quite different. The major difference is that U.S. investors prefer paper maturing in 30 days or less and international investors prefer three months and longer.

There are other important differences. In the U.S. market, issuers need dedicated bank credit lines to assure that they always have the liquid assets at hand to redeem maturing paper if it cannot be rolled over. There is no such requirement in the international market, where,

in any event, such backup lines are less costly to arrange than in the United States.

In addition, thanks to the intense competition of banks to win a footing in a new market, explicit fees to issue paper are nonexistent, compared with an estimated 0.1 percent on an annual basis in New York. Bankers either make their profit by paying the issuer one price and selling the paper at a higher price or give up any profit as a means of establishing a new banking relationship in the hope of winning future, profitable business.

For foreign companies that normally have to pay a premium over what similarly rated U.S. companies pay to sell short-term debt in the U.S. market, a global CP program run out of New York should be less attractive as they raise short-term funds at lower cost internationally than in the United States.

Currently, for example, with the deepening of the Euro-CP market, Sweden's cost to issue up to six-month paper is 17 basis points below the London interbank bid rate (Libid), a lower cost to Sweden than the Libid minus 14 it had paid earlier.

The latest entry to the market is Halifax Building Society, which is seeking a \$300 million uncommitted multicurrency facility, the first for a British building society. Chemical Bank will organize a tender panel of banks that Halifax may solicit for bids on advances or certificates of deposit in U.S. dollars, Deutsche marks, Swiss francs, European currency units or yen. However, any bank can approach Butler Securities, co-arranger of the facility, to propose terms to Halifax.

Petroleum Corp. of New Zealand has appointed Morgan Guaranty, Swiss Bank Corp. and S.G. Warburg to market up to \$200 million of Euro-CP. The company is also seeking an underwritten multi-currency facility of \$150 million.

This was the same problem that Quebec faced in trying to market 300 million DM of 6 percent bonds at a price of 100 1/2. The 10-year bonds ended the week down 2 1/2 points.

The worst performance was Black & Decker, whose 100 million DM of 7-year, 5 1/2 percent bonds were offered at 100 1/4 but ended the week with a loss of 3 1/4 points. Its problem was a low coupon, the result of intensely competitive bidding by banks to win the mandate.

In sterling and European currency units, all the new issues traded at discounts larger than the fees paid to underwriters, the classic measure of unsuccessful issues. Dealers said there was too much paper bearing terms regarded as too stingy.

SKF of Sweden has appointed Warburg to market up to £75 million through an uncommitted tender panel that will be asked to provide bankers' acceptances.

Federal Express Corp. of the United States is seeking underwriters for a \$385 million multi-currency facility. Banks underwriting the five-year facility will be paid an annual fee of 6 1/4 basis points. Drawings on the credit will cost 7 1/2 basis points over the London interbank offered rate plus a utilization

fee of 10 basis points if more than one-third is used and 15 basis points if more than two-thirds is drawn. Banks committing \$40 million are offered a front-end fee of 10 basis points.

Household Finance is seeking a credit facility. Interest will be set at 3/16 point over Libor plus a utilization fee of 5 basis points if more than half the amount is drawn. Front-end fees range up to 7 1/2 basis points.

ADVERTISEMENT

SENIOR PROMOTION AT THAI INTERNATIONAL

Mr. Tongnoi Thongchus has been promoted to regional director - South East Asia of Thai Airways International, in charge of the airline's overall activities in Hong Kong, Manila, Jakarta, Singapore, Kuala Lumpur, Penang, Beijing and Bandar Seri Begawan, Brunei.

Prior to his new position, Mr. Tongnoi was the area manager in Thai's Hong Kong office.

Mr. Tongnoi joined Thai in 1967 as assistant area manager and he was area manager in Singapore, London, Daegu, Seoul and Amsterdam between 1975 and 1981.

LOST NOTES

Unilever Capital Corporation

\$550,000,000 12 1/2% Guaranteed Notes due 1989

NOTICE is hereby given that unauthenticated and uncollected definitive \$55,000 denomination bearer Notes of the above issue with serial numbers 003501 to 003647 inclusive and 003977 to 004001 inclusive have been lost in transit.

The Notes have attached to them three coupons each for A\$612.50 payable on 20th June 1987, 20th June 1988 and 20th June 1989.

The Notes and coupons are edged in olive green.

All \$55,000 denomination Notes and coupons of the Issue will be reprinted with new serial numbers and will be edged in another colour.

Paying agents and other relevant organisations have been instructed NOT TO MAKE PAYMENT on these lost Notes and coupons or any other \$55,000 Notes or coupons of this Issue edged in olive green.

Bankers Trust Company, London

16th February, 1987

EUROBONDS: Thirst for Equity

(Continued from first finance page)
try's 7 percent three-year notes priced to yield 35 basis points over the Treasury curve. IBM, trading down 1 1/2 points from the 101.05 issue price, yielded 19 basis points over the curve at end-week while Morgan, down 1.2 points, was trading at a spread of 38 points over the curve.

Xerox, a late entry, offered \$100 million of three-year notes bearing a coupon of 7 percent and priced at 101 1/4.

Philip Morris sold \$100 million of 6 1/2 percent, two-year paper at a premium of 106 1/4 with warrants to buy sterling at a fixed exchange rate against Deutsche marks. Bankers said that the currency contract was not a speculative favorite and therefore of little appeal, but the package ended with a slight gain.

But bankers said there was virtually no new money moving into the long-term bonds. Some of the long-dated paper, priced to yield big spreads over the Treasury curve, found favor as asset swaps, with investors selling existing holdings yielding smaller spreads to buy these issues.

Corporate Property Investors was a good example of this with its \$100 million of 8 1/2 percent, 10-year bonds priced to yield 131 basis points over Treasury paper. CPI ended the week down 3/4-point from the issue price of 101 1/4.

Cargill's \$150 million of 8 1/4 percent, 10-year bonds, offered at 100 1/4, were pitched to yield 108 basis points over the curve and also found acceptance.

Bot Eurofima's 10-year, 7 1/2 percent bonds, offered at 101 1/4, were considered too stingy with a yield of 51 basis points over Treasury yields, not enough to merit a swap nor enough to draw reluctant investors into such a long-term commitment.

Ditto for Woolwich Building Society, whose 7-year, 8 percent bonds were priced at 81 basis points over the Treasury yield, and Norges Kommunalbank, whose 7 1/2 percent bonds were offered at 52 basis points over the curve. Another drawback to Norges' 10-year bond is the long first-coupon payment of 13 1/2 months; the subscription for the bonds is set for April 2, but the coupon payment is May 17. Managers said that this was necessary to accommodate the currency swap behind the issue.

The DM sector was overloaded with paper, some of which were syndicated credits dressed up as bond issues. This was the case for the 200 million DM issue from Bank of Greece carrying a 6 1/4 percent coupon for seven years; the 150 million DM issue for the Indian Oil & Natural Gas Commission, carrying a coupon of 6 1/2 percent for seven years; and the 75 million DM for Wacker-Chemicals, carrying a coupon of 6 1/4 percent for seven years.

Austria's 100 million DM of six-year, 5 1/2 percent notes fared well with an end-week discount of 1 1/4 points, comfortably within the 2 1/4 percent commission paid to underwriters. But the 10-year paper offered by Austria traded at a big discount, 2 1/2 points, as did its 15-

HASSAN MAHASSNI, TRUSTEE IN BANKRUPTCY OF THE ARABIAN DRY BATTERIES CO. LTD. Invites

bidders by way of sealed envelopes for the sale of the Company's batteries factory at the Industrial Estate, Jeddah. The products of the factory enjoy customs protection of between 3 to 20% in accordance with the Customs Item No. 85/3/1.

Those interested in inspecting the factory and in acquainting themselves with the terms of sale should get in touch with Mr. Muhammad Sa'adi Shamma', Tel. Nos. 667-1390 / 669-0938 (9662), Telex: 604750 / 601793 LIBRA SJ. Deadline for accepting bids is Sunday 7/8/1407 A.H., corresponding to 5/4/1987.

Treasury Prices Dip While Short-Term Rates Hold

By Michael Quint
New York Times Service

NEW YORK — Treasury note and bond prices drifted lower Friday, but short-term interest rates were little changed as activity subsided before a holiday weekend.

Securities dealers and economists concluded that the statistics released Friday on producer prices and factory output were not what they had expected and did not yield much evidence to suggest higher or lower interest rates.

The inflation rate rose in January, with higher prices for oil and gasoline helping to raise producer prices by six-tenths of a percentage point. The rise of 0.4 percent for

industrial production also was close to expectations. Although some market participants expressed relief that banking data published late Thursday

U.S. CREDIT MARKETS

showed the Federal Reserve was not trying to raise short-term interest rates, the figures were not sufficient to continue Thursday afternoon's move toward lower rates. Among the more active issues, the 7 1/2 percent Treasury bonds due in 2016 were offered at 99 5/32, down 1/4 point, to yield 7.57 percent, while the 7 1/4 percent notes due in 1996 were offered at 99 1/2, down 9/32, to yield 7.26 percent.

The 30-year issue is nearly one point below the average price of the previous week's auction, while the 10-year issue is just 3/32 below its auction average.

Rates on short-term issues were little changed as the overnight rate for bank loans in the federal funds market hovered at 6 1/16 percent. In the corporate market, a \$150 million issue by Manufacturers Hanover Corp. of 8 1/4 percent subordinated capital notes due in 1999 was offered at 99.575, to yield 8.577 percent, through Merrill Lynch Capital Markets.

The notes, which are not callable and are rated Baa-1 by Moody's and A by Standard & Poor's, yield about 1.3 percentage points more

than Treasury notes due in 10 years.

A \$225 million issue of Masco Corp.'s 5 1/4 percent convertible subordinated debentures due in 2012 was offered at par through Smith Barney, Harris Upham & Co.

U.S. Consumer Rates

Item	Feb. 13
Prime Bank Loans	5.50 %
1 Year Treasury Bonds	7.50 %
3 Month Treasury Bills	6.50 %
Money Market Funds	5.50 %
Dominion's 3-Month Average	5.00 %
Bank Money Market Accounts	5.41 %
Bank Rate Monitor Index	5.41 %
Home Mortgages, FHLS average	9.84 %

New Issue This advertisement appears as a matter of record only February 13, 1987



EUROPEAN COAL AND STEEL COMMUNITY

DM 175,000,000
5 7/8% Bond Issue 1987/1997

— Stock Index No. 480050 —
Offering Price: 99 1/4%

<p>Dresdner Bank <small>Aktiengesellschaft</small></p> <p>Commerzbank <small>Aktiengesellschaft</small></p> <p>Bank für Gemeinwirtschaft <small>Aktiengesellschaft</small></p> <p>Bayerische Vereinsbank <small>Aktiengesellschaft</small></p> <p>Deutsche Girozentrale <small>— Deutsche Kommunalbank —</small></p> <p>Merck, Finck & Co.</p> <p>Vereins- und Westbank <small>Aktiengesellschaft</small></p> <p>Banca Commerciale Italiana</p> <p>Chase Bank AG</p> <p>Generale Bank</p> <p>Morgan Stanley International <small>(Deutschland) AG</small></p>	<p>Deutsche Bank <small>Aktiengesellschaft</small></p> <p>Westdeutsche Landesbank Girozentrale</p> <p>Bayerische Hypotheken- und Wechsel-Bank <small>Aktiengesellschaft</small></p> <p>Berliner Bank <small>Aktiengesellschaft</small></p> <p>D</p>
--	--

EUROPEAN COMMUNITY

U.K. Told Officials How to Manipulate Presidency

By Peter Mzass

International Herald Tribune

BRUSSELS — The British Foreign Office advised senior government officials last year on ways to manipulate the European Community's presidency to serve Britain's interests, according to a leaked document.

Entitled "Guidance on the Exercise of the Presidency," the confidential paper was issued in May to the British officials, mainly ministers, who presided over EC meetings during London's presidency in the second half of 1986.

The document's existence was disclosed by The Independent, a British newspaper. Although EC rules require the presiding country to chair meetings evenlyhandedly, the British guideline clearly called for putting national interests first. Among other things, the document instructed officials on methods for obstructing EC decisions that would go against British wishes.

"The U.K.'s objective may be to delay the decision (e.g. until after the U.K. presidency)," it said. "As long as the U.K. is not isolated, the simplest device will be for the chairman to let the delegation ramble on."

"Provided that agreement is not actually staring him in the face, he

may be able to conclude that a number of new issues have been raised which require consideration in capitals."

The documents added that after such consultation, the British chairman could further delay matters by setting a meeting for a month later, and then cancelling it "because another group needs the meeting room allocated for the next session, and so on."

In a swipe to members of the European Parliament, the document told officials to shun off enquiries from the EC's legislative body.

"While not rebuffing the MEP, care should be taken to avoid going into detail," it said, referring to members of the parliament.

A British official in Brussels defended the document.

"Everyone in the community uses the kind of maneuvers or procedures that were mentioned in the paper," he said. "Perhaps the only surprising thing is that the British put them on paper."

EC, Belgium Seek Action On Acid Rain Protocol

The EC Commission and the Belgian government plan to press for full community acceptance of

the 1979 Helsinki Protocol, which calls for a sharp reduction in the pollutants that are the main cause of acid rain.

Leading the fight is the Belgian environment minister, Miet Smets, whose government currently holds the EC's revolving presidency.

The protocol requires 30 percent reductions in emissions of sulphur dioxide by 1993.

Only seven of the 12 community nations have signed the protocol. Britain, Ireland, Greece, Spain and Portugal have not joined the agreement and are expected to put up a tough fight at a March 19 meeting in Brussels of EC environment ministers.

The five countries complain of the high cost of improving emissions systems in power plants, which are the main source of sulfur dioxide pollution. Britain and Ireland also contend that they have already done enough to cut back on sulfur dioxide.

The commission has been blocked in its attempt to get member states in agree on a 60 percent cut in sulfur dioxide emission from power plants. Along with Belgium, it now is pushing for the less-stringent Helsinki Protocol as a way to get member states on the road to cutting down on acid rain.

U.S. Envoy Criticizes Press on Grain Dispute

In a rare move, the U.S. ambassador to France has written to the newspaper Le Monde complaining about hostile French coverage of the U.S. stance in the recent trans-Atlantic dispute over U.S. grain sales to Spain.

The ambassador, Joe M. Rodgers, wrote that he was troubled by "diverse commentaries" in France which contended that the United States "torced the European Community to accept unjust demands" to resolve the dispute.

"It would be damaging for our future relations if this leaves the impression that the United States negotiates only by force," he added.

"This was not the case," he said. "Our position was reasonable."

The dispute was resolved by a last minute compromise on Jan. 29, but only after the Reagan administration threatened to impose retaliatory tariffs of up to 200 percent on some European food and drinks.

Mr. Rodgers' letter did not directly criticize Le Monde's coverage, but U.S. officials have privately expressed disappointment over an allegedly anti-American bias.

NASDAQ National Market

OTC Consolidated trading for week ended Friday.

Table with multiple columns listing various stocks, their prices, and market activity. Includes sub-sections for 'Selling in 100s High Low Close Net Chg' and 'Selling in 100s High Low Close Net Chg'.

GOLD: Fortune Seekers, Legal and Illegal, Rush to the Jungles of Borneo

(Continued from first finance page)

close to starting extraction operations in the same area.

Exploration teams from Mr. Miller's company are working from a lakeside base camp with a wilderness setting worthy of a resort hotel. In a small laboratory there, Indonesian technicians test alluvial soils by first panning and then chemically analyzing promising samples.

The samples are collected from the surrounding jungle, steaming, trackless and often swampy terrain plagued by malarial mosquitoes. Small, human-powered drilling rigs and other equipment have to be carried on one exploratory site to the next. Mechanized exploration is possible only in a few areas accessible by heavy equipment.

At a work site near Mandor, reached by motorcycle and then a jungle trek, the team leader, Purba, said he spends two days at each hole, taking samples in the clay-sand soil.

Each test site has to be cleared first of dense, resistant undergrowth. A platform is erected and a drill capable of extracting samples to a depth of nearly 40 feet (about 12 meters) is installed. Buckets of

muddy earth are then carried out on the lah, and the team moves on to the next site, about 100 yards away, where the clearing and drilling are repeated.

At Mount Muro, where the Pennzolt unit works in partnership with Pelsart and other companies, there seems little doubt about the presence of substantial quantities of gold. Mr. Miller said some illegal prospectors had struck veins "a meter wide."

Mining engineers are preparing to develop the Mount Muro site for exploration — as soon as about 4,500 poschers, their shacks and even a boomtown madam, Pelsart's Mr. Novomy says, can be moved away.

Why an Indonesian gold rush now? "Gold is the only commodity making money at the moment," said Laurie Whitehouse, Pelsart's Indonesian operations director.

Timbering operations have opened some previously inaccessible areas. Roads and airstrips are being built. Loggers sometimes lead miners to the deposits. Local people are snapping up small concessions when they can raise the cash.

Mr. Whitehouse also said that new foreign-investment guidelines issued by the government were encouraging mining companies to come to Indonesia, which is known to have untapped deposits of many minerals as well as oil and gas resources.

Companies are signing a new type of contract that is unique in the mining world, Mr. Whitehouse said. Under these "contracts of work," mining companies are acting as contractors for the government.

The contracts cover surveys, exploration, feasibility studies, building operations and 30 years of output.

By the 10th year of production, Mr. Whitehouse said, 51 percent of equity must be in Indonesian hands. Most foreign companies begin with an Indonesian investment of about 10 percent to 15 percent. Among those that have signed the contracts is Newmont Co., an American concern that is working through an Australian subsidiary.

Dollar values on the contracts are hard to fix since no commercial-scale mining has begun. But the companies have already spent millions of dollars on exploration and feasibility studies.

Mr. Whitehouse is confident that extensive exploration work can be done at Mount Muro.

The results coming out are so spectacular that there will have to be a mine," he said.

Mr. Whitehouse is among those who are the most optimistic about the gold potential of Indonesia, which he thinks can move into the top ranks of producers before too many years.

South Africa, the world's largest gold producer, is still far ahead of the competition, it produced about 670 metric tons (137 short tons) in 1985, according to the U.S. Bureau of Mines. The Soviet Union ranked second, with 270 tons.

"Within 10 years, Indonesia will be producing 50 to 100 tons a year," Mr. Whitehouse predicted.

HERSANT: TV Front-Runner

(Continued from first finance page)

month, a court dropped proceedings against Mr. Hersant.

On the front page of Le Figaro, Mr. Hersant declared himself as "innocent as a newborn child."

When Mr. Hersant acquired Le Figaro in 1975, several members of staff signed the *clause de conscience* that allows journalists to leave a newspaper with full severance pay if they feel a new owner will change their paper's political character.

Since then, Le Figaro, France's main conservative morning paper, has adopted a virulent and strident anti-Socialist stance.

Along with Mr. Hersant, several of Le Figaro's staff ran for the right in last year's parliamentary election and continued to write for the paper as they campaigned.

Lionel Jospin, the leader of the Socialist Party, said in a radio interview that he was "completely scandalized" by the possibility that Mr. Hersant might control La Cinq.

"It would be the first time," he said, "that a channel was given to a deputy who controls a little group of 10 parliamentarians who are themselves beholden to him or are his employees."

Treasury Bonds

Table listing Treasury Bonds with columns for Maturity, Bid, Ask, Yield, and % Chg.

INTERNATIONAL POSITIONS

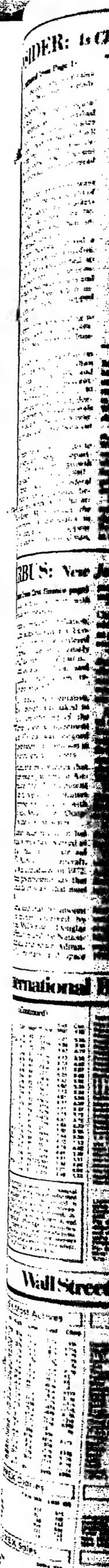
You will find below a listing of job positions published last Thursday under the rubric International Positions.

Table with columns: TITLE, SALARY, EMPLOYER. Lists various international job openings.

ESORTS & GUIDES INTERNATIONAL CLASSIFIED (Continued From Back Page). Includes listings for various escort services in London, Paris, and other cities.

Euromarts At a Glance

Table showing Eurobond Yields and Weekly Sales. Includes columns for U.S. & Int'l, Public Issues, and various bond types.



INSIDER: As Charges Touch Top Officials, Wall Street Itself Goes on Trial Despite Stable Profit, Big U.S. Banks Are Slipping

(Continued from Page 1) stems from the declining profitability of many of Wall Street's traditional businesses.

In the mid-1970s, the deregulation of commission rates slashed the profits that securities houses earned from executing buy and sell orders from their institutional clients. At the same time, discount brokerage firms ate into their retail business.

Meanwhile, the innovative ways to raise capital in the new world of more volatile securities markets loosened the traditional ties between corporations and their investment banker advisers.

The merger business offered a far more lucrative source of profits. As the size of the deals climbed, so did the advisory fees. In the complex buyouts of Safeway Stores and Macy's, the total fees, which included lining up financing, topped \$150 million.

Wall Street firms were willing to pay more and more for the professionals who could bring in business. Before 1980, only a handful on Wall Street earned more than \$500,000 a year, for example, and the top tax rate was 75 percent.

Today, a professional who is 30 years old can earn that much, dozens of high-powered professionals can make more than \$10 million a year, and the top tax rates have been cut in half.

Investment banks only began to organize separate merger departments in 1976, and their growth escalated sharply only after 1980.

The ultimate focus of the federal government's investigations became plain last week with the arrest of Robert M. Freeman, the head arbitrator, or speculator in stocks of companies that appear ripe for a takeover, at Goldman,

Kidder May Face Lawsuits, Huge Penalty

By Tamar Lewin New York Times Service NEW YORK — Kidder, Peabody & Co. may face a host of lawsuits and financial penalties as a result of insider trading charges against its employees, corporate lawyers say.

Under the Insider Trading Sanctions Act of 1984, those who trade on inside information can be made to give back their illegal profits, and pay a penalty of three times as much as their illegal activities produced.

"What's the company's potential liability?" said Harvey Goldschmid, who teaches corporate law at Columbia Law School. "A lot more than it made."

The federal court complaints filed Thursday and Friday charge that Kidder made millions of dollars in illegal profits by trading on confidential information exchanged by Martin A. Siegel, the former head of Kidder's mergers and acquisition department; Richard B. Wigton, head of Kidder's risk-arbitrage unit; Timothy L. Tabor, formerly the second-ranking executive in Kidder's arbitrage unit; and Robert M. Freeman, head of stock arbitrage at Goldman, Sachs & Co.

The evidence of problems has been mounting, many top executives concede, but few firms have been willing to question a business that was generating such profits.

"It was like free sex," said the head of one of Wall Street's largest investment banks who spoke on condition that he not be identified.

"You definitely saw the abuses growing," he said, "but you also saw an absence of people getting caught, so the atmosphere grew relaxed. There really was a deterioration in people's ethics, and there were so many deals being done that people must have figured there was plenty of cover for what they were doing."

According to W.T. Grimm & Co., 1,889 companies were acquired in 1980 at a total cost of \$44.3 billion. Last year, there were 3,356 mergers, and the overall value had soared to \$176.6 billion.

As securities houses enlarged their staffs to handle this flow of business, they also shifted from their traditional role as passive advisers, offering counsel to their corporate clients when asked.

Instead, the model of a 1980s investment banker is one who brings ideas for deals to his clients, "shopping" a prospect until the bid is launched and the million-dollar fee is won. Companies have become a means to the end of generating business for Wall Street.

Despite Stable Profit, Big U.S. Banks Are Slipping

By Eric N. Berg New York Times Service NEW YORK — In the fourth quarter, the nation's biggest commercial banking companies were plagued by continued weakness in lending, a decline in investment-banking income and a disturbingly high level of special items.

As a result, the year turned out to be one of the harshest for the banks since deregulation began in the late 1970s. "The industry is just not earning well," said Stephen Beriman, a banking analyst at Nomura Securities Inc.

Most analysts are only marginally optimistic about the outlook for 1987. Even though the large banking concerns are expected to push harder to expand overseas and to win the right to underwrite securities, analysts see no slowdown in the exodus of large corporate borrowers from the banking system.

They see no end to the debt problems of developing nations. They believe that rents on commercial real estate, which banks depend upon for repayment of development loans, will fall further.

And they question whether fee-based businesses, an increasingly important source of bank revenue, will lift earnings.

"The consensus is that the banks' financial condition will improve marginally, at best, or remain unchanged, at worst."

"What you are seeing is stagnancy," said Donald C. Waite, one of the senior banking partners at McKinsey & Co., the management consultants. "Bank earnings are stagnant, and as a result, returns are falling."

A few industry experts argue that the banks are performing well. They note that the banks' interest spreads, the difference between what they are earning on loans and

A Roundup of Fourth-Quarter Bank Results

Fourth-quarter 1986 results for the nation's 15 largest bank holding companies.

Table with 4 columns: Return on Assets, Return on Equity, Loan Quality, Change in Earnings. Lists 15 banks and their respective metrics.

Returns and change in earnings are based on net income applicable to common stockholders. N.M. Not meaningful because of losses in 1985. *Reflects an extraordinary charge of \$20 million. Without the charge, the bank's return on assets would be 52 cents, return on equity, 12.55, loan quality, 4.01%, and earnings change, +3.5%.

Also includes repossessed real estate. Some banks exclude from nonperforming assets loans that are 90 days past due but secured.

Table with 4 columns: Return on Assets, Return on Equity, Loan Quality, Change in Earnings. Lists 15 banks and their respective metrics.

Returns and change in earnings are based on net income applicable to common stockholders. N.M. Not meaningful because of losses in 1985. *Reflects an extraordinary charge of \$20 million. Without the charge, the bank's return on assets would be 52 cents, return on equity, 12.55, loan quality, 4.01%, and earnings change, +3.5%.

paying on deposits, are holding up nicely. They also note that the banks have managed to maintain their absolute level of profits, if not increase them slightly, at a time when lenders are troubled by low commodity prices and overcapacity.

"I would contend that a stable profit level is not the worst thing in the world," said Richard Stillinger, a vice president at Keefe, Bruyette & Woods Inc., a Wall Street firm that specializes in bank stocks.

But the more common view is that the big banks are slipping, and the data certainly suggest that. At the 24 big banking companies followed by Keefe, Bruyette & Woods, for example, return on equity fell last year to the lowest level of this decade, 12.5 percent, from a peak of 15.3 percent in 1980.

Loans written off as a fraction of average loans reached a record 0.80 percent, up from 0.36 percent in 1980. Return on assets of 0.73 percent, although up slightly from the level of 1985, was still well below its peak in this decade of 0.91 percent.

The picture did not seem that grim early last fall. By posting huge gains from their bond portfolios in the first nine months while interest rates were falling, the banks appeared to be on the verge of matching the previous year's results.

In the fourth quarter, however, loan-loss provisions increased markedly, even as investment-banking income declined.

Although many banks dug deeply into their pockets and found special items that helped to lift profits, overall earnings were still disappointing, analysts said.

Even the banks that are now considered the most prosperous reported lower earnings on an operating basis. Bankers Trust New York Corp., for example, the parent of the Bankers Trust Co., reported net income of \$1.39 a share in the fourth quarter.

These results, however, included a gain on the sale of a building, a gain from settlement of pension obligations, a benefit from the change in the tax law, and an above-normal increase in loan-loss reserves. As Mr. Beriman of Nomura Securities sees it, Bankers Trust's true earnings were \$1.03 a share, compared with \$1.17 a year earlier.

The problems are well defined: While banks continue to lose business to alternative sources of funding, their remaining loans are going sour at an increasing rate.

AIRBUS: New Jet Is Rolled Out

(Continued from first finance page) integration, would be met with "real retaliatory measures."

Although it rejected retaliation, the Reagan administration's Economic Policy Committee ordered that the subsidy issue be "intensely monitored," as one official put it.

An administration official said that unilateral trade action remained "a live option."

The U.S. trade representative, Clayton K. Yeutter, was asked to negotiate a strengthening of the GATT aircraft code, an agreement reached in 1979 that was designed to limit government intervention in the sale of commercial airplanes.

The United States contends that the four European partners in Airbus subsidize the development costs of the group's civil jetliners and are competing unfairly with Boeing Co. and McDonnell Douglas Corp. of the United States.

The Reagan administration has claimed that Airbus has received as much as \$10 billion in state aid since 1970. Airbus's first aircraft, the A-300, was introduced in 1972. European governments say that the aid consists of loans that must be repaid.

Mr. Chirac said that the amount of public money received by Boeing and McDonnell Douglas from the Pentagon and the National Aeronautics and Space Administration for military and space

programs by far outweighs the sums received by Airbus.

"We want these talks," Mr. Chirac said of the GATT talks, adding that France and its European partners "accept the rules of free competition."

"But we cannot accept that such discussions should be a pretext for allowing" the United States "to maintain a dominant position that would be prejudicial to the interests of everyone."

Airbus has already booked a total of 439 firm orders and options from 16 airlines for the A-320, a record for a plane that has not flown. Airbus officials estimate the aircraft's potential market at 3,700 planes between now and the year 2000.

The competing McDonnell Douglas MD-87 and MD-89 and Boeing's 737-400 are based on older technology, the consortium says. It has already started to make deep inroads into the lucrative U.S. market.

The Minneapolis-based Northwest Airlines placed an order for 10 A-320s plus 90 options, against fierce competition from Boeing late last year.

A proposed Airbus long-haul, four-engine aircraft, the A-340, would compete directly against aircraft offered by Boeing and McDonnell Douglas. The A-340 would be introduced in the mid-1990s. (AP, NYT, Reuters)

International Bond Prices

Table with columns: Issuer, Con, Amt, Price, Yld, Ctr, Crt. Lists various international bonds and their prices/yields.

Wall Street Review

Table with columns: AMEX Most Actives, NYSE Most Actives, AMEX Sales, NYSE Sales. Lists top performing stocks and sales figures.

Large advertisement for International Herald Tribune subscription. Features a large '54%' graphic, text 'Save up to 54% or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune', and a detailed table of subscription rates by country and currency. Includes contact information and a coupon form.

SPORTS

Holyfield Keeps Crown

RENO, Nevada — Evander Holyfield retained his World Boxing Association junior heavyweight title Saturday with a seventh-round knockout of his former U.S. Olympic teammate, Henry Tillman.

VANTAGE POINT/Dave Anderson

Too Many Mets Are Making the Lineup

NEW YORK — Dwight Gooden is on probation for three years after having pleaded no contest to two felony charges: violently resisting arrest and battery on a police officer in Tampa, Florida.

soon for too many too-talented players who might be too big for their britches?

The Mets, who when last seen in uniform were spraying champagne as baseball's best team, will open spring training this week as baseball's most notorious.

last few months, the Mets should have learned how to deal with the police.

But Gooden and Strawberry have never attended college, where a sense of more mature behavior might have rubbed off.

Around the clubhouse, Gooden and Strawberry appear to be pleasant, polite and well-mannered.

In Game 7, Strawberry hit a home run in an 8-5 triumph. On returning to the dugout he slapped hands with Johnson after a won at home plate from Ray Knight.

Knights obviously made a financial mistake in signing the Mets' \$800,000 offer while demanding \$1 million.

In that moment at home plate, Strawberry listened to Knight and accepted his advice.

Solution to Friday's Puzzle. A crossword puzzle grid with filled-in letters and a list of words.

And so the Mets, who when last seen in uniform were spraying champagne as baseball's best team, will open spring training this week as baseball's most notorious.

the players' sides of the stories. But that's not the point. The point is, such behavior must cease if the Mets are to carry themselves like champions.

WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam After a week start, the Amsterdam stock exchange regained some of its strength in response to a steady dollar.

than 2.5 million, compared with only 250,000 selling orders.

Frankfurt The Frankfurt stock exchange showed moderate gains last week, overcoming a weak start.

The Singapore stock market posted new records last week in very active trading.

Hong Kong The Hang Seng index surged to new heights last week, mainly on rampant buying by overseas institutions.

Share prices suffered a moderate setback on the Tokyo stock market last week amid commotion caused by the listing Monday of Nippon Telegraph & Telephone Corp. stock.

London Share prices remained buoyant last week on the London Stock Exchange, despite several bouts of profit-taking in line with Wall Street.

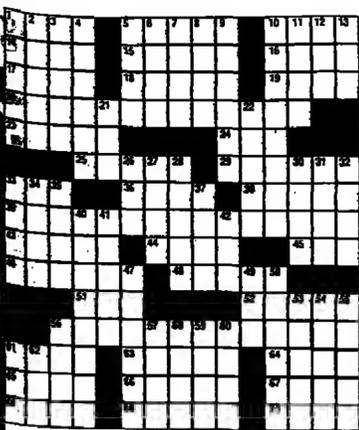
The Zurich stock exchange was calm last week in response to a more stable dollar.

Milan The Milan stock market failed last week to shrug off a downward trend that has dogged it since the start of the year.

Prices were stable on the Paris Bourse in a week that saw the successful return of Paribas, France's fifth-largest bank, to the market.

COMBINED CURRENCY STOCK INDEX GRAPH. A line graph showing stock index values for various currencies from 1980 to 1987.

PARIS Prices were stable on the Paris Bourse in a week that saw the successful return of Paribas, France's fifth-largest bank, to the market.



- ACROSS 56 Do-gooder of a sort; 57 From; 58 What to keep from the door; 59 Capriote or jeté; 60 Where; 61 Pocatello is; 62 On (equivalent); 63 Actress; 64 Lancheater; 65 Sturdy fabric; 66 It goes oom-pah-pah; 67 Hangers-on of a sort; 68 Dowdy; 69 Pina's organ; 70 Burst of activity; 71 Casino patron; 72 "Love Many Splendid Things"; 73 Begone!; 74 Spontaneous; 75 Wallflower; 76 Magna cum; 77 Soccer great; 78 Bandleader; 79 Brown; 80 Nest robbers; 81 Michener best seller; 82 "Maria"; 83 Fling; 22 Ruth's mother-in-law; 23 Invite; 24 Steamer, e.g.; 25 Painter of water lilies; 26 Droop; 27 Robert; 28 Snitches; 29 Wight, for one; 30 Catch flies; 31 Cut (jitterbug); 32 Eye amorously; 33 Utopia seeker; 34 Audacity; 35 Rub the wrong way; 36 Fluctuate; 37 Blonde shade; 38 Stalks of asparagus; 39 Active beginner; 40 A Muse or Dryad; 41 Patriot Allen; 42 A — on one's escutcheon; 43 Computer fare; 44 Golden calf, for one; 45 Yellowish green; 46 Thickens; 47 "In a sea of"; 48 Lippi; 49 Rip-off; 50 Parseghian.

© New York Times, edited by Eugene Malachuk.

DENNIS THE MENACE



"WE CAN'T HEAR WHAT'S HIDING UNDER THE BED BECAUSE THEY'RE TOO QUIET."

JUMBLE

A word game section with scrambled letters and a grid. The words are PADAT, TARFD, ROBRAW, CYOUTH. The answer is HE...THE...IT.

WEATHER

Table with columns for EUROPE, ASIA, AFRICA, LATIN AMERICA, NORTH AMERICA, MIDDLE EAST, OCEANIA. It lists cities and their weather conditions.

MONDAY'S FORECAST — CHANNEL, River, FRANKFURT, Cologne, Bonn, 1-10; London, 1-10; Paris, 1-10; Rome, 1-10; Madrid, 1-10; Athens, 1-10; Tokyo, 1-10; Seoul, 1-10; Taipei, 1-10; Manila, 1-10; Singapore, 1-10; Jakarta, 1-10; Sydney, 1-10; Melbourne, 1-10; Auckland, 1-10.

PEANUTS



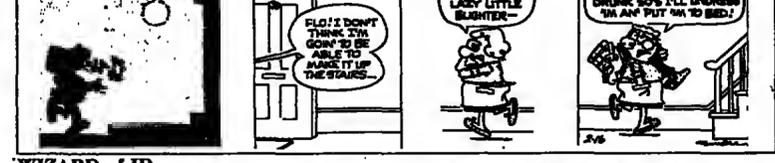
BLONDIE



BEEBLE BAILEY



ANDY CAPP



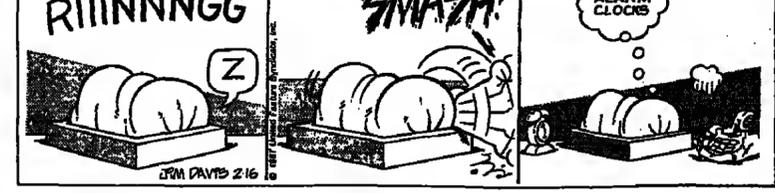
WIZARD OF ID



REX MORGAN



GARFIELD



مكتبة من الأهل

SPORTS

Soviets Win Hockey Finale

By Robert Facht

Washington Post Service

QUEBEC CITY — The Soviet Union, playing on foreign ice with a National Hockey League referee, defeated the NHL all-stars, 5-3, here Friday night to become champions of the Rendezvous 87 tournament.

After the NHL won the opener, with a Soviet referee and with the Soviets having the right to final playing changes during stoppages, many felt the NHL would sweep the two-game series. But Valery Kamenyky and Vladimir Krutov each scored twice and goaltender Evgeny Belosheikin stopped 28 shots as the Soviets upped the tempo and won.

Kamenyky, 20, was named the outstanding Soviet player. Edmonton center Wayne Gretzky, with three assists, was selected as the NHL's best.

Mark Messier of Edmonton scored on the NHL's first shot of Friday's game, at 3:32, and it proved to be the only goal of a rather chipmy first period. Messier converted a power-play opportunity after the Sergei Neznorov had been penalized for tripping Mario Lemieux of Pittsburgh. It took the NHL only 10 seconds to score off a faceoff in the Soviet end. Gretzky, kicking the puck free before the net, got it over to teammate Jari Kurri.

Kurri's pass from behind was quickly turned into a goal by Messier, who blasted it through Belosheikin.

There were some solid hits, with Montreal's Claude Lemieux twice rocking Valery Perushkin on the same shift. The Soviets grew frustrated and tried to retaliate, with one such incident leading to a roughing penalty on Vyacheslav Fetisov for a rather mild assault on Hartford's Kevin Dineen.

Edmonton goalie Grant Fuhr stopped seven shots in the period, two of them testing drives by Vyacheslav Bykov, who had a goal as the Soviets lost, 4-3, on Wednesday.

Belosheikin made two good

saves on Gretzky and handled a tough screened shot by Dale Hawerchuk of Winnipeg. The young goalie held onto the puck on one occasion and referee Dave Newell used sign language to indicate that he should keep it in play next time.

The tempo went up a few notches in the second period and the Soviets benefited, scoring three times to take a 3-1 lead although they were outshot, 13-9.

After Fuhr made a good stick save on a backhander by Fetisov, Kamenyky and Krutov connected in a span of 2:04 to put the Soviets ahead for the first time in the series.

Much of the period was played at high speed, with the Edmonton contingent getting numerous scoring chances but unable to produce the tying goal.

Belosheikin, seemingly gaining confidence, turned back tough shots by Glenn Anderson twice, Gretzky, Esa Tikkanen and Messier. He also got a few breaks, as Kurri was wide on two deflections. Mario Lemieux tried to jam the puck from behind, but sent it sliding through the crease and out of harm's way.

Meanwhile, Rick Green of Montreal made an outstanding play to deflect a shot by Andrei Khotunov, who appeared home free on the right wing. Then, Fuhr dove to block Alexei Gusarov's rebound of a shot by Yuri Khmilyev.

As time was winding down in the second period, an icing call against the NHL provided the Soviets with a chance and Kamenyky made the most of it. He carried the puck in from the left-wing boards, slipping past Green and beating Fuhr with a short pass. Flip after Washington's Rod Langway went down in anticipation of a shot toward the far corner.

The goal came 19 seconds before the intermission and left the NHL team reeling as it went to the dressing room.

Early in the third period, Fuhr made a big save on Khotunov, who had skated in alone on the right wing. Moments later, Belosheikin

more than matched it: Gretzky roared down the right side, stopped suddenly after firing two opponents his way and passed to Quebec's Normand Rochefort pinching in the left-wing circle. Belosheikin lunged to his right and got his blocker on the shot.

Fuhr made a good stick save on Sergei Makarov, then kept the NHL in the game with a sensational save on Kamenyky. Boston's Ray Bourque was caught up ice and Chicago's Doug Wilson was off balance confronting a two-on-one.

Bykov slipped a late pass to Kamenyky, who shook his head in disbelief when Fuhr smothered the shot.

The first penalty in 29 minutes helped the NHL close the gap to 2-2. Nemchinov, who was in the box when Messier scored, was the NHL's first penalty taker in the series.

Belosheikin, after holding Mario Lemieux, checked off the puck in the left-wing circle, but Gretzky scooped it up and passed off to Wilson, racing down the slot. Wilson put the puck under Belosheikin at 7:33.

The Soviets rebutted their two-goal margin on another score by Krutov at 9:19.

Igor Larionov dropped the puck for Krutov, who tried to make a return pass; the puck struck Bourque's skate and came back to Krutov, who quickly whipped it past Fuhr.

Belosheikin made good saves on Mario Lemieux and Messier, then Gretzky flipped a rebound wide. When the teams reached the other end, the outcome was decided when Kamenyky made a dazzling move around Messier and sent the puck into the crease for a tap-in by Khotunov at 16:59.

With 2:40 remaining, the NHL requested a stick measurement on Sergei Prinkin. Prinkin refused to hand over the stick to Newell, who gave him a minor for an illegal stick plus a 10-minute misconduct.

Three seconds after the minor expired, at 19:23, Bourque converted Gretzky's pass from behind the net to complete the scoring.



Soviet goaltender Evgeny Belosheikin, making a Game 2 save.

Zurbriggen, Schmidhauser Keep It Business as Usual for Swiss

The Associated Press

TODTNAU, West Germany — Pirmin Zurbriggen of Switzerland, the world champion, overcame mistakes and poor visibility Sunday on the fog-shrouded Abartsbühl course to win the next-to-last men's giant slalom of the World Cup season.

Swiss skiers, who took a record eight of 10 gold medals at this month's world championships, had another successful day as Corinne Schmidhauser won a women's slalom in Flihli, Switzerland.

Zurbriggen led after the first run and held on in the second to clinch his third consecutive cup giant slalom with an aggregate time of 2 minutes, 39.95 seconds.

Marc Girardelli of Luxembourg, who won the silver medal behind Zurbriggen in the world championships giant slalom, was second again with a combined 2:39.16. Markus Wasmeier of West Germany finished third.

Zurbriggen extended his overall cup lead to a virtually unbeatable 100 points over Wasmeier. The 24-year-old Swiss ace now has 274 points; he also moved ahead of

Richard Pramotton at the top of giant slalom standings with 102 points, seven more than the Italian.

Zurbriggen, who posted the fastest first-run time of 1:19.96, made a couple of mistakes in the upper part of the second and was able to clock only a fifth-fastest 1:19.99. But his aggregate was enough to give him his 28th career cup victory and his seventh this season.

"What makes me so happy is having this streak," said Zurbriggen, who came here with victories in the last two cup giant slaloms and the world title.

The top-placed 15 racers started the second run in reverse order and Zurbriggen had to go last, after Wasmeier registered the fastest final-leg time and Girardelli a close second.

"I had to ski with full aggression because I saw the times posted by Wasmeier and Girardelli before me," said Zurbriggen, who also won the super-giant gold at the world championships and added

Merger of Styles and Esteem

By Malcolm Moran

New York Times Service

QUEBEC CITY — In the end, there was the sight of Valery Kamenyky, the 20-year-old center and leader of the new generation of hockey talent in the Soviet Union, manufacturing a goal with a brilliant individual effort once considered uncharacteristic of his team's precise, group-oriented style.

And there was Mikhail Tatarinov, the rugged 20-year-old defenseman, using his body to disrupt plays cleanly but forcibly, a technique North American players have used — and abused — for decades.

And then there was, among the National Hockey League all-stars, the delegation from the Edmonton Oilers that used circular, European-style routes in a region that has long believed that the shortest distance between two points is a straight line up and down your wing.

A decade and a half into the respectfully intense relationship between the NHL and the Soviet Union, the two sides continue to show a more frequent merging of styles. Once, the two approaches — the tic-tac-toe pattern of the Soviet team and the power-

oriented North American attack — were clearly and passionately defined opposites.

Last week's two-game Rendezvous '87 series demonstrated again that the urgency of national pride has caused the two sides to elevate each other's level of play. The two powers shared more than one victory each in the two games.

"It's important that you know the National Hockey League didn't win the series, and neither did we," said Viktor Tikhonov, the coach of the Soviet team. "What won was hockey itself. I think both games were a holiday."

The Soviet team exhibited flashes of unusual brilliance. "They were making some great individual plays," said Rod Langway, the Washington defenseman whose careful play was central to the NHL victory in Game 1. "The goals they got were team goals. We see Mario Lemieux and Wayne Gretzky do those things. It seems like the puck just follows them. The great players there do the same thing."

Unlike the previous international midseason games, both teams left with pleasant memories.

"They've got my phone number," Gretzky said. "They can phone me and I'll come and play. I've got lots of friends on that team now."

The newest parts of the Soviet team, including Kamenyky, Tatarinov and 20-year-old goaltender Evgeny Belosheikin, were exposed to the highest level of play. The NHL earned the reassurance that even with two days of preparation and despite injuries to significant players, an approach of intelligent, restrained aggressiveness can beat anyone.

"I learned a lot about hockey," said Dave Poulin of Philadelphia, whose deflection produced the decisive goal in the opener. "You learn what you're capable of when you're elevated to heights. . . . We were given a challenge to this, and I think we answered the challenge nicely."

Nearly 15 years after the flag-waving lensing of the eight-game Summit Series in 1972, the two sides enjoyed a peaceful coexistence. "The important thing," Tikhonov said, "whether you play two, five, eight or 10 games, it's proven as fact that what you saw was a real party. We should keep on having it."

"They've got my phone number," Gretzky said. "They can phone me and I'll come and play. I've got lots of friends on that team now."

WORLD CUP SKIING

Richard Pramotton at the top of giant slalom standings with 102 points, seven more than the Italian.

Zurbriggen, who posted the fastest first-run time of 1:19.96, made a couple of mistakes in the upper part of the second and was able to clock only a fifth-fastest 1:19.99. But his aggregate was enough to give him his 28th career cup victory and his seventh this season.

"What makes me so happy is having this streak," said Zurbriggen, who came here with victories in the last two cup giant slaloms and the world title.

The top-placed 15 racers started the second run in reverse order and Zurbriggen had to go last, after Wasmeier registered the fastest final-leg time and Girardelli a close second.

"I had to ski with full aggression because I saw the times posted by Wasmeier and Girardelli before me," said Zurbriggen, who also won the super-giant gold at the world championships and added

overtook two compatriots. Hesk and Brigitte Oerli.

Schneider won a giant slalom and slalom in France the two preceding days. On Sunday, she had clocked one of the fastest intermediate times in the first run when she straddled a gate, dashing hopes for her third slalom victory of the season.

After the first run, Maierhofer led with a 0:22-second advantage over Schmidhauser. With the snow falling less heavily, the Swiss slipped through the second course, flagged with 59 gates over the 465-foot (141-meter) drop. Starting before Maierhofer, Schmidhauser seemed to lose control at least once and skied some gates wide. But the Austrian faltered when it was her turn and lost the entire lead on the top part of the course.

It was Schmidhauser's second victory of the winter after she took the opening slalom at Park City, Utah. Her triumph was the 16th for the Swiss woman in 22 cup races so far this season.

The race was the ninth and next-to-last slalom of the season.

McKinney, who took a violent spill shortly after the start, saw her lead in the cup slalom ranking shrink to two points as Schmidhauser moved into second place with 97 points. Schmidhauser, 22,

overtook two compatriots. Hesk and Brigitte Oerli.

Schneider won a giant slalom and slalom in France the two preceding days. On Sunday, she had clocked one of the fastest intermediate times in the first run when she straddled a gate, dashing hopes for her third slalom victory of the season.

After the first run, Maierhofer led with a 0:22-second advantage over Schmidhauser. With the snow falling less heavily, the Swiss slipped through the second course, flagged with 59 gates over the 465-foot (141-meter) drop. Starting before Maierhofer, Schmidhauser seemed to lose control at least once and skied some gates wide. But the Austrian faltered when it was her turn and lost the entire lead on the top part of the course.

It was Schmidhauser's second victory of the winter after she took the opening slalom at Park City, Utah. Her triumph was the 16th for the Swiss woman in 22 cup races so far this season.

The race was the ninth and next-to-last slalom of the season.

SCOREBOARD

Basketball

NBA Standings

EASTERN CONFERENCE

Atlantic Division

Table with 3 columns: Team, W, L, Pct. Boston 27 12 .69

Central Division

Table with 3 columns: Team, W, L, Pct. Detroit 27 12 .69

Western Conference

Midwest Division

Table with 3 columns: Team, W, L, Pct. Dallas 27 12 .69

Pacific Division

Table with 3 columns: Team, W, L, Pct. L.A. Lakers 27 12 .69

FRIDAY'S RESULTS

Table with 3 columns: Team, Score, Opponent

SATURDAY'S RESULTS

Table with 3 columns: Team, Score, Opponent

U.S. College Results

FRIDAY EAST

Table with 3 columns: Team, Score, Opponent

SOUTHWEST

Table with 3 columns: Team, Score, Opponent

SATURDAY EAST

Table with 3 columns: Team, Score, Opponent

SOUTHWEST

Table with 3 columns: Team, Score, Opponent

National Hockey League Standings

WALEY CONFERENCE

Pacific Division

Table with 3 columns: Team, W, L, T, Pts, GF, GA

Adams Division

Table with 3 columns: Team, W, L, T, Pts, GF, GA

North Division

Table with 3 columns: Team, W, L, T, Pts, GF, GA

Central Division

Table with 3 columns: Team, W, L, T, Pts, GF, GA

WESTERN CONFERENCE

Northwest Division

Table with 3 columns: Team, W, L, T, Pts, GF, GA

Central Division

Table with 3 columns: Team, W, L, T, Pts, GF, GA

Southwest Division

Table with 3 columns: Team, W, L, T, Pts, GF, GA

FRIDAY'S RESULTS

Table with 3 columns: Team, Score, Opponent

SATURDAY'S RESULTS

Table with 3 columns: Team, Score, Opponent

Hockey

PHILADELPHIA

Table with 3 columns: Team, Score, Opponent

HARTFORD

Table with 3 columns: Team, Score, Opponent

LOS ANGELES

Table with 3 columns: Team, Score, Opponent

ST. LOUIS

Table with 3 columns: Team, Score, Opponent

WASHINGTON

Table with 3 columns: Team, Score, Opponent

NEW YORK

Table with 3 columns: Team, Score, Opponent

MINNESOTA

Table with 3 columns: Team, Score, Opponent

DETROIT

Table with 3 columns: Team, Score, Opponent

CHICAGO

Table with 3 columns: Team, Score, Opponent

EDMONTON

Table with 3 columns: Team, Score, Opponent

WINNIPEG

Table with 3 columns: Team, Score, Opponent

OTTAWA

Table with 3 columns: Team, Score, Opponent

QUÉBEC

Table with 3 columns: Team, Score, Opponent

MONTRÉAL

Table with 3 columns: Team, Score, Opponent

ST. CATHARINES

Table with 3 columns: Team, Score, Opponent

WATERLOO

Table with 3 columns: Team, Score, Opponent

BRANTFORD

Table with 3 columns: Team, Score, Opponent

SHREVEPORT

Table with 3 columns: Team, Score, Opponent

INDIAN WELLS

Table with 3 columns: Team, Score, Opponent

LAKE CHARLES

Table with 3 columns: Team, Score, Opponent

MONROE

Table with 3 columns: Team, Score, Opponent

BOZEMAN

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

BOULDER

Table with 3 columns: Team, Score, Opponent

Schneider Wins Back-to-Back Races; Stenmark Takes His 40th Cup Slalom

Compiled by Our Staff From Dispatches

SAINT GERVAIS, France

Vreni Schneider of Switzerland won her second World Cup ski race in two days Saturday when she came back from 10th place after the first run to win a slalom.

The two victories in the Mont Blanc region of the French Alps gave Schneider the lead in women's overall cup standings with 230 points, one more than compatriot Maria Walliser.

Meanwhile, in Markstein, France, Ingemar Stenmark on his way through a thick fog for a narrow slalom victory, his second of the season and the 40th slalom triumph of his 13-year cup career. Overall, it was the 85th cup event that the 30-year-old Stenmark has won.

He nipped Armin Bittner of West Germany by .08 second in two runs over the 1-mile (1,620-meter) course at the Alsatian resort. Stenmark's total time was 1 minute, 36.39 seconds.

Schneider, 22, who won a giant slalom Friday at Megève, near Saint Gervais, was 10th on the 58-gate first run with a time of 48.37.

She finished first on the 60-gate second run in 47.78 to win with an aggregate of 1:36.15. Switzerland's Corinne Schmidhauser, who tore her upper lip on a gate during the first run, was second in 1:36.79.

The thin, soft snow on the twin Tagay courses gave a clear advantage to the first 10 skiers to come down on each run. The first course was already chopped up when Schneider came down, but she had a better starting position and better snow on the second. "There was nothing to lose," she said of her second run. "There was nothing else left for me to do but to go flat out. I didn't ski well in the first."

Schneider has won five times this season, including the world giant slalom championship.

Asked whether she could win the overall cup title, she said, "I don't think so. There are three more downhill and two super-giants, which should favor Walliser."

Stenmark's victory at Markstein brought him within one point of the cup slalom leader, Bojan Križ of Yugoslavia, who finished eighth. Križ has 97 points, Stenmark 96 and Bittner 74. Stenmark has won the cup slalom title eight times.

Light snow was falling when the first run began, but midway through it the snow changed to light rain, then drizzle; the ensuing dense fog helped give the Swede the advantage.

Some skiers said the snow was too soft, while others complained about the lack of visibility on the flat course, which dropped only 508 feet (154.2 meters), just over the 150-meter minimum.

"The visibility for me was not a problem," Stenmark said. "This hill is like the one where I learned to ski."

(UPI, AP)

SPORTS BRIEFS

4 Indoor World Track Marks Bettered

MOSCOW (Combined Dispatches) — Igor Lotorev of the Soviet Union ran the 1,000 meters Saturday in 2 minutes, 18 seconds, a world indoor best. Tass reported.

The record was established at the Soviet Winter Cup track and field meet, the news agency said. The previous mark of 2:18.58 was set by Sebastian Coe of Britain in Oslo on March 19, 1983.

In Sofia, Yordanka Donkova of Bulgaria set a world indoor best of 7.74 seconds for the women's 60-meter hurdles during Saturday's national indoor track championships. The old mark, 7.75 seconds, was set by Bettina Jahn of East Germany on March 5, 1983.

In East Rutherford, New Jersey, men's

LANGUAGE

The English Stately Dog

By Polly Devlin
LONDON — The cover of "The English Dog at Home" — a book that has somewhat unexpectedly made Britain's best-seller lists — is graced with a noble portico, dwarfed by a Great Dane belonging to the book's author, Felicity Wigan. Inside there is more of Chutney, couchant among tapestries and fine rugs, as are most of these colorful volume's dogs, save for Princess Anne's rough beast. He lies on a magnificent tapestry-covered chair in the flag-stoned hall of Gatcombe, her country house.

women, almost literally barking. There is Mrs. John Menzies, whose basset hounds, Henry and Basil, have their own house in the garden with roses around the door, which sports a brass fox's mask and brush knocker, and a basket flap through which Mrs. Menzies crawled backwards and forwards to give Basil the confidence to use it.

Mrs. David Metcalfe's dog, Humphrey, lives for two things, Henry the butler's ankles and

Duchess of Devonshire that Chatsworth is such a terrible place to house-train a puppy. Loudon Constantines' Sheltie sheepdog is partial to furniture made before 1700: "He is very discriminating about the walnut period. The William and Mary talby now stands on three and a half legs in the hall."

Every page reveals the ravages of these things called pets, but not, as you might expect, the tolerance, forbearance and patience of the good ladies and gentlemen who shelter them. Such virtues are not among their attributes. The words we need are hysterical devotion, adoration, enchantment, utter forgiveness. Witness Baronet Sir John Wiggan, who lives in Homington Hall, a 17th-century country house. Among his animals was Bryan, half-ferret, half-polecat, who lived in his trousers. Visitors to Homington would sometimes be stricken even into silence by the sight of Sir John's waistband and shirt on the move.

Once Bryan was missing, "I was heartbroken, did not put an advert in the Times for three days in case he returned, which was very lucky as he had gone to sleep in the dovecote after sucking the blood from three ducks." Since Bryan has gone to the great rabbit-hole in the sky, Sir John and Lady Wiggan console themselves with Sonia, Pinky, Muppet, Alexander, Tudu, Buster, Figaro and Zola Budd, the last so-named because she ran fastest to her feet. Sir John acquired his first two Dachshunds during the war, starting among the ruins of Wodepate. His orderly fed them with a fountain pen filler for two months. Sir John wanted to call them Kraut and Sauerkraut but no fraternization was allowed in 1944, so they ended up as Pork and Beans.

Perhaps the best of all in this gallery of eccentrics is Random, Princess Anne's hound, a castoff from the Dumfriesshire hunt. Taken to her first hunt Random heard the noise, saw the people and leapt in the back of the van. She was given to the princess by Sir Rupert Bachmann-Jardine whose father, Sir John, formed the breed from a mixture of



Chutney couchant among his tapestries and rugs.

French and English foxhounds and some bloodhounds after World War I. All the hounds are black and tan, and when they give voice they do so *de bono profundo*. Random has a lot of French blood. Her great-great-great-great-grandfather on both sides was a Rhenish, a Gascon Saintongois bred by the Prince de Merode. Her English ancestors have names like Taffeta, Tatler, Radiant, Radium and Ravish, which sound much like the names of any English human nursery. Princess Anne has, of course, a corgi, the necessary familiar of the royal family, members of which swell up and turn black if corgis are out of their sight. The queen also has her own family breed, a cross between corgis and Princess Margaret's dachshund. They are called dorgis. God's truth.

No matter how outrageous, beguiling or bughouse any of these dogs are they don't begin to match their owners. "There are three things I hate about dogs — bad breath, yapping and licking," says Robert Abel Smith of his wife's dachshund, Beaufort, "and Beaufort is guilty of all of them." Sir John Wiggan (of ferret fame) mourns the demise of their Sterry-Boo. "Her breed was pure anesthetic. It sent us to sleep immediately, we've never slept so well since the Great Renner took her." The whole book is ravishingly silly and is the latest in a series of equally foolish and desirable volumes called the English this, that or the other. The revealing difference is that this one looks as though it will outsell all the others.

"The English Dog at Home" by Felicity Wigan with Victoria Mather. Photographs by Geoffrey Shakerley, Chatto & Windus.

Polly Devlin is a London-based writer and a former contributing editor to Vogue.

Mr. Bonaprop and the Fat Singer

By William Safire

WASHINGTON — A malapropism is a word or phrase that is amusingly off the mark. For example, a recent pamphlet circulated by the U.S. Department of Health and Human Services dealt with "impediments" but stated that "hospital insurance covers impatient hospital care." (Impatient is a retronym used on outpatient; used to be, a person receiving treatment in a hospital was merely a patient, and only the hatchet-faced head nurse was impatient.)

The eponymous-ism was formed from "Mrs. Malaprop," a character in a 1775 play by Richard Brinsley Sheridan who used *reprehend* for *apprehend* and *oracular* for *veraculous*. Today, the word applies to any goofy linguistic mistake, like the unintentional irreverence in the simile "drunk as the Lord."

Sheidan formed the name from *malapropos*, originally meaning "inopportune, unseasonable." The French formed the term from *mal*, "badly," & "to," "propose," "the purpose." This idea is expressed in English as *inappropriate*.

Which brings us to *bonapropism*, a coinage to describe happy mistakes: words or phrases that are seemingly off the mark, but unintentionally hit the mark right on the button. For example, a dice jockey in Los Angeles named April Whitney who posed seductively in Playboy magazine reported her reaction to a subsequent invitation to fly to Dallas: "I'd be worried that I'd get off the plane and never be seen from again." Her comment appears to be a garbling of "heard from again," but the visual element of the story leads Don Shannon of the Los Angeles Times to suggest, "Mrs. Whitney may be the long-sought replacement for Sam Goldwyn, somebody who gets it wrong but with just a fraction of something that sounds right."

Goldwyn, the Hollywood producer, was famed for the mistakes created for him by the press agent Lynn Farnol, such as "A verbal contract isn't worth the paper it's written on" and "include me out." In later years, Goldwyn decided he wanted a more statesmanlike image, fired his press agent and claimed he never said any of those things. That left a void: who would become "Mr. Bonaprop." The person who would be a natural source for the attribution of such constructions? Casey Stengel, the baseball manager, filled that role for a time — he is usually cited as the source of the Thurberism "You could look it up." Walt Kelly's cartoon character Pogo was heavily quoted for "We have met the enemy and he is us," but this was his only major contribution to the language. The real person in our time who is most often credited with, or snuck with, bonapropisms is the former Yankee star Lew Stadel (Yogi) Berra.

I have long been searching for the origin of "The opera ain't over till the fat lady sings." Coach Dick Motta of the Chicago Bulls, who popularized the phrase in 1978, has been noted as a possible coiner, but Daniel S. Knight of Philadelphia, who styles himself spokesman for the "Fat Lady Sings Society," cites the Concise Oxford Dictionary of Proverbs; in 1975, Ralph Carpenter, information director of Texas Tech, told a contingent of sportswriters in the Austin press box that "The rodeo ain't over till the bull riders ride." Dan Cook, a sports editor for The San Antonio

Express-News, responded with "The opera ain't over till the fat lady sings."

In searching for the origin of this gem, I came across the simpler and even more frequently cited "It ain't over till it's over," which I presume is a shortening of "The ball game ain't over until the last man is out." "Did Yogi Berra actually say that?" Reached at his Montclair, New Jersey, home, Berra acknowledges the coinage. "Yes, I said that. It was during a pennant race for the Mets."

And what about "Thank you for making this night remember the night and add a note of honesty to an otherwise insipid statement. 'Yes, I said that too,' confirms Berra, 'in St. Louis.'"

Such pinpoint sourcing of proverbial statements is as rare as it is useful to lexicographers yet unborn. So what about the recent "It's déjà vu all over again," so often attributed to Berra? "Nopes, not true, I never said that," or the advice, "Always go to other people funerals — or otherwise, they won't come to yours." That too is disclaimed; not an authentic bonaprop by Berra.

"That place is so crowded," Berra was supposed to have said, "that nobody goes there anymore." Properly sourced? "Yes, Yogi said that," said his wife, Carmen, on a telephone extension, "about a restaurant."

One bonapropism I have especially admired for its ultra-subjectivist, post-*neo-deconstructivist* quality, is not that of the *Land-of-the-Nihilist* critic Jacques Derrida, but of New Jersey's Yogi Berra: "If I hadn't woken up, I'd still be asleep."

"HESITATE to quibble over what many would consider an inconsequential lapse," writes Ferrol G. Weinberg of Norfolk, Virginia, "but feel constrained to do so by a lawyer's compulsion for precision and a love of Kipling."

My attorney friend is setting me straight on a misquoted reference here to "the Colonel's Lady and Rosie O'Grady." The character who is sister under the skin to the Colonel's Lady is Judy O'Grady, not Rosie, whom Weinberg cautiously identifies as "the subject and title of the 1980s song attributed to Maude Nugent." (Maude Nugent did write both the words and music of the song "Sweet Rosie O'Grady," copyrighted in 1896.)

Corrections of fact and grammar are received here with equanimity bordering on a kind of grimace. The reason for this apparently masochistic trait is this: by ostentatiously winking down one slim slice of humble pie, I buy the license to take pops at everybody else for months without appearing to be a wiseguy.

This particular correction from one of my equivoque pen pals, however, got to me. I have been inaccurately pairing the Colonel's Lady with the wrong O'Grady woman all my life. Hundreds of times in conversation, dozens of times in print. How many listeners or readers said to themselves, "He's got the poem mixed up with the song, but it's not for me to tell him what sort of jerk that makes him in my eyes?" The repeated damage was done: it is now too late to thread my way back through life to fix that mistake.

— New York Times Service

ANNOUNCEMENTS

DIVORCE IN 24 HOURS
MAIRIE TECHNOTRANS - NICE / CANNES
REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

LOW COST FLIGHTS
EDUCATION
ACCESS VOYAGES
HOTELS ITALY
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

MOVING

MAIRIE TECHNOTRANS - NICE / CANNES
REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

LOW COST FLIGHTS
EDUCATION
ACCESS VOYAGES
HOTELS ITALY
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

MOVING

MAIRIE TECHNOTRANS - NICE / CANNES
REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

LOW COST FLIGHTS
EDUCATION
ACCESS VOYAGES
HOTELS ITALY
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

MOVING

MAIRIE TECHNOTRANS - NICE / CANNES
REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

LOW COST FLIGHTS
EDUCATION
ACCESS VOYAGES
HOTELS ITALY
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

MOVING

MAIRIE TECHNOTRANS - NICE / CANNES
REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS

INTERNATIONAL CLASSIFIED

LOW COST FLIGHTS
EDUCATION
ACCESS VOYAGES
HOTELS ITALY
EMPLOYMENT POSITIONS AVAILABLE
HOTELS ITALY
ACCESS VOYAGES
EDUCATION
LOW COST FLIGHTS



Chronograph, automatic, Steel and 18K Gold, water resistant 30 m.

roman mayer

Imprimé par Offprint, 73 rue de l'Évangile, 75018 Paris.

The Global News
Published in the
United States and
Canada by
The Global News
Inc., 1000
Broadway, New York,
New York 10018

Support
Despite

LATE NEWS
Wall Collapse
Kills 11 in India

INSIDE TODAY
GENERAL NEWS

INSIDE TODAY
GENERAL NEWS

INSIDE TODAY
GENERAL NEWS

INSIDE TODAY
GENERAL NEWS

INSIDE TODAY
GENERAL NEWS

INSIDE TODAY
GENERAL NEWS

INSIDE TODAY
GENERAL NEWS

INSIDE TODAY
GENERAL NEWS